Sankalpa means Decision,
Determination that a true manager or leader must make every day...

SANKALPA

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SANKALPA

IMPACT FACTOR : 2.813 (ISRA : JIF)

Journal of Management & Research

SANKALPA : Journal of Management & Research
aims at bringing out the intricacies of Management perspectives, concepts, and applications. The focus is on Indian Management and its interplay with Global Management knowledge, best-practices and research.

This issue is sponsored by : Dr. Rekha Srivastava and Dr. Satendra Kumar, Professor & Head, Ph.D Research Center, CKSVIM

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Building International Relations
Academic Trip to Europe by Dr. Rajesh Khajuria in May-June'16

Prof. Dr. Davorin Kracun, Acting Dean and **Prof. Dr. Samo Bobek, Dean, Faculty of Management, University of Maribor,** School of Economics and Business, Maribor, **SLOVENIA (EU).**

With Prof. Z. Polkowski at UJW University, Poland

Dr Małgorzata Zajdel, Vice-Dean for Students Affairs; Prof. Arkadiusz Januszewski, Vice-Dean for Science, and Dr. Z. Polkowski (Poland) with Dr. Rajesh Khajuria

Prof. Dr. D. Zajac, Chancellor; Dr.Z. Polkowski with International Officer & Students of UJW University, Poland

MoU signed with Prof. Dr. D. Zajac, Chancellor, UJW University, Poland

With students of UJW, Polkowice, Poland.

Students of UJW University in computer centre, Poland

With HOD and Professor of UTP University of Science and Technology, in Bydgoszcz, Poland.

HOD, Professors and Chancellor of UTP University of Science & Technology, in Bydgoszcz, Poland with about 100 students, attending Dr. Khajuria's session.

From the Heart of Editor-in-Chief……

Creating Bridges for Students' Success

Welcome to Hon. Shri Prakash Javadekar, new Minister for Education in India. A cool personality with immense respect for people and planet (formerly Environment Minister), he is expected to allign the Indian Education system with the profound thinker and leader Prime Minister Shri Narendra Modi, whom we foldly call **'Our Narendrabhai'** since he worked for 11 years as Chief Minister of Gujarat State and I had a few close interactions with him on making **Gujarat a Knowledge Society.** I think, **India cannot dream of being a Developed Nation by 2024, if our students are not successful in their chosen fields in industry, agriculture or services sectors.**

CKSVIM as the first MBA offering Business School Accredited by the **Accredition Council for Business Schools and Programs (ACBSP), USA in 2014-15, we are trying our right to create excellence in Higher Education in India with Global Impact.**

My Five Point Agenda for India's Higher Education to produce Successful Students are:

1. **Freedom to Teach:** Encourage Teachers to create programs, curricula, teaching materials, pedagogy / andragogy and knowledge within a broad national and state framework.
2. **Broaden the outlook:** Encourage multiple education systems, from Gurukuls of ancient India to Dual Education system of modern Germany, flexible education of America, focussed education of Britain, to diverse education of Europe.
3. **Invest More:** India should target to invest 6% of GDP on Education, with 3% on Schools and 3% on Higher and Technical Education, if it wants to compete with the developed nations.
4. **Teach Social behavioual rules and Soft-skills** compulsorily at all levels, primary and secondary schools to colleges to universities. E.g. bicycle to car driving, non-spitting, commuication, foreign languages, art, maths and English etc.
5. **Government-Business-Education cooperation** *(read '**Philanthropy**')* must work together to create **'Bridges for Students Success'.**

Read more in my column, **"Ask the Expert' in Baroda Times** published by The Times of India, Vadodara edition every 2nd and 4th Monday during June-July-August 2016.

I want to thank **six European Government Universities in four great nations - Germany, Slovenia, Poland, and Switzerland** - who invited me to deepen our academic cooperation and sign up new **MOUs** on behalf of **Gujarat Technological University (GTU)** opening new opportunities for our students and teachers. The **Chancellors, Rectors, Deans and Professors** of these Global Universities as well as **the Directors and officials of The International Trade Centre (ITC), WTO, UNCTAD** in **Geneva** were kind in organizing my lectures and presentations and attending with keen students, as well as hosting. Our **SMJV Trust** deserves special thanks for funding the visit. **Read Report** on our website www.cksvim.edu.in

We welcome three distinguished professors on our International Board of Reviewers on SANKALPA: Journal of Management and Research:

Prof. Dr. Zdzislaw Polkowski, Polkowice (Poland), Prof. Arkadiusz Januszewski, Bydgoszcz, (Poland) and Prof. Dr Julian Vasilev, Varna (Bulgaria).

I am honoured to act on the Editorial Board of indexed Journals of Knowledge and Management in **Poland.**

How can I forget to present the research papers authored by academicians, professionals and doctoral scholars, published in this edition of SANKALPA in your hand? Our double blind review ensures only quality articles are published.

Finally, **PROQUEST** has accepted **SANKALPA Journal** for indexing at Global level; however, the exact date from when SANKALPA will become available in Proquest will be known shortly, thanks to the constant efforts by Ms. Ranjita Banerjee, Principal Asst. Editor, SANKALPA.

Best wishes for new academic year…

Prof. Dr. Rajesh Khajuria,
Director, CKSVIM
Dean and Chairman, Global MBA Program, GTU
Chair Elect, South Asia Council, Region 10, ACBSP, USA
Visit: www.cksvim.edu.in / www.gtu.ac.in / www.acbsp.org

श्रद्धावाँल्लभते ज्ञानं तत्पर: संयतेन्द्रिय: ।
ज्ञानं लब्ध्वा परां शान्तिमचिरेणाधिगच्छति ।।

"One who has faith and who with controlled senses is devoted to
attaining this wisdom is successful in his/her endeavour.
With wisdom and knowledge, he/she quickly attains the supreme peace."
- Bhagvad Gita

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C K Shah Vijapurwala Institute of Management
Shri Mahavir Jaina Vidyalaya Campus
R. V. Desai Road, Pratapnagar, Vadodara – 390004
Phone: +91-265-2418328 / 29/ 30
E-Mail: mba@cksvim.edu.in / cksvim@gmail.com

APPEAL TO THE AUTHORS AND CONTRIBUTORS

The present issue (Volume 6, Issue 2) is the July-December 2016 Issue, which contains research papers / articles in various areas of Management and Research. The bi-annual Journal 'SANKALPA' portrays our strong conviction to disseminate the thinking of academicians and practitioners in the field of Business Management discipline, which they communicate through their 'Reporting' in the form of research papers, articles, study reports, case studies, original conceptualizations with logical vigor and vision.

The members of the Editorial Board appeal to all the academicians and practitioners to communicate their 'Reporting' to the Editor-in-Chief for publication in our subsequent issues, through the e-mail ID : **publications@cksvim.edu.in**

Please See **Guidelines for Authors & Contributors Call for Case Studies**

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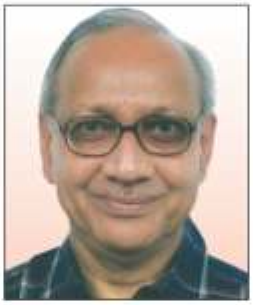
FROM THE DESK OF RESEARCH CENTRE-CKSVIM

Journey From January, 2011 To July, 2016



With the objective to create and preserve the awareness among the Teaching Community about the 'Role of Research' in the process of knowledge acquisition, processing, and storage of existing knowledge on one hand and on the other, in the process of generation and dissemination of newer knowledge driven by the acquisition of existing knowledge, the Ph. D. Research Centre has completed a journey of over Five and half years since its inauguration on February, 2011 by Dr. Akshai Aggarwal, Hon. Vice Chancellor of Gujarat Technological University.

The Bi-annual journal, 'SANKALPA'-The Journal of Management and Research, is presenting its 12th regular Issue (Volume 6-Issue2) in the month of July, 2016, since its inception in January, 2011.

It contains Research Articles written by faculty members of Management and other allied disciplines from all over the country and abroad, in general, and from Gujarat Technological University, in particular. It serves as one of the important vehicle to disseminate the newer knowledge generated by the researchers through various kind of researches undertaken by them.

I am glad that the Journal, which is a double blind refereed journal, has provided opportunity to hundreds of Teacher-Researchers to get their original research papers published. Besides, it also provides opportunity of publishing Business Cases from faculty members to help in the teaching of Management students through cases.

The Centre has, so far, provided facility of pursuing Ph. D. Research to more than 20 Teacher- Researchers of which, eight Teachers are expected to submit their Thesis within the next three to four months. It is a matter of great pleasure for me to write that the members of Shri Mahavira Jaina Vidyalaya Education Foundation have, as a token of their appreciation, has awarded one time Fellowship of Rs. 10,000 (Rs Ten Thousand only) to these eight teachers who are to submit their Thesis soon.

I wish that the researchers, in their research endeavour, focus in the emerging areas like; Criteria for vendor selection, Corporate governance/corporate responsibility, ethics and accountability, Knowledge Management, Management of technology and innovation, Resource management and sustainable development, Health policy and management, Climate, energy and economic growth to support the overall development of our country.

July20, 2016

Dr. Satendra Kumar
Professor and Head
Ph.D.Research Centre

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BUILDING INTERNATIONAL RELATIONS

International Education, Lectures, Research, Collaboration and MOUs

"Academic Trip to EUROPE by Prof. Dr. Rajesh Khajuria, Founder Director, SMJV's C K Shah Vijapurwala Institute of Management; Dean, Faculty of Management and Chair, Global MBA Program, Gujarat Technological University - May 6 to June 2, 2016"

After spending 4 hectic weeks touring **7 universities in Slovenia, Germany, Poland, and The United Nations in Geneva (Switzerland)**, **Dr. Rajesh Khajuria** has returned with exciting relationships and collaborations, thus opening doors to international education right here in Vadodara, for Gujarat, for India. He represented as Dean, **GTU, Ahmedabad** and Director, **CKSVIM, Vadodara**, managed by **Shri Mahavir Jain Vidyalaya, a 100 year Trust** operating from **Mumbai.**

He expressed his heartfelt gratitude to the esteemed and ever supportng **SMJV Trust** for giving an opportunity to visit various universities in Europe, and to visionary and dynamic **Dr. Akshai Aggarwal, Vice Chancellor, Gujarat Technological University** for support and encouragement. Special thanks to **Hon. Pro. Vasuben Trivedi, Minister of State Women & Child Welfare (Independent Charge) Higher and Technical Education, Government of Gujarat** for writing a special Letter of Best Wishes.

Following Government Universities in Europe, opening their doors to **internationalization of education**, invited **Dr. Khajuria** as an **International Scholar** in **Management / Business Education** during **May 6 to June 2, 2016 on four weeks academic visit.**

1) University of Maribor, Slovenia – International Week with 15 European Universities, MOU with GTU in 2013 and with CKSVIM in 2014.

2) DHBW Cooperative State University, Stuttgart, Germany – MOU with GTU in 2013, Exchange with CKSVIM.

3) DHBW Cooperative State University, Heilbronn, Germany – First visit from CKSVIM-GTU.

4) Jan Wyzykowski University (UJW), Polkowice, Poland – First visit, MOU signed with Chancellor.

5) UTP University of Science & Bydgoszcz, Poland – First visit, Research and Publication Cooperation.

6) Lodz University, Lodz (pronounced as **Lords**), **Poland** – MOU Signed with Dean.

7) Swiss UMEF University, Geneva, Switzerland – First meeting to explore.

8) International Trade Centre (ITC), World Trade Organization (WTO), United Nations, Geneva, Switzerland – MOU with CKSVIM in 2013, extended to 100 GTU-MBA Colleges, Progress Report sbmission, Future Cooperation and Students Visit in 2017.

The Deans, Professors and Students of some of these European Universities had already attended one or more of the five International Conferences on Business Ethics, Governance and Sustainability, organised by GTU with CKSVIM during 2010-2015. ACBSP, USA Accreditation of CKSVIM Vadodara helps internationalise our education, research and publication world-wide.

Starting with **Meditation,** highly appreciated by the European Students and Professors in each of the lectures and seminars delivered, **Dr. Rajesh Khajuria** delivered lectures and presentations at the above mentioned Universities in **Slovenia, Germany** and **Poland** on 1) **"Business Ethics, Governance, Sustainability and Principles of Responsible Management Education (PRME)"**, with a **Case Study on TATA Group of Companies, India** and 2) **"Doing Business with India."**

PURPOSE

The purpose was to strengthen the Academic Collaborations, share Indian wisdom and knowledge, learn from European professors, and build new Collaborations between **Gujarat Technological University (GTU) / C. K. Shah Vijapurwala Institute of Management (CKSVIM), Gujarat, INDIA**, and some of the leading European Universities cited above, leading to **internationalization of Education** in general and **MBA program** in particular, for teachers' and students' success. **"We firmly believe in Indian Education with Global Perspective and Cooperation", said Dr. Khajuria.**

OUTCOME - Valuable and Long Term

An initiative for deeper cultural, academic and business exchange, the outcome was a mutually agreed decision-tree between **Dr. Rajesh Khajuia (GTU – CKSVIM)** and the **Chancellor / Rector / Dean / Professors of 6 European Universities** - to move ahead with Student and Faculty Exchange Program. Now, International Study Tour may be organized for two weeks where 10-15 **GTU-CKSVIM MBA students with one or two faculties** can participate. Also our select few **MBA students can study for a full Semester-III** in these

European Universities with mutual cooperation and exchange of students and professors.

Business Informatics, Logistics, Supply Chain Management, Inter-Cultural Management, Manufacturing Management, WTO, SME Management, International Trade and **Startups** are some of the emerging business education subjects, and offer great opportunities for MBAs to learn, practice skills and get into **business / entrepreneurship / innovation or jobs.**

Universities of Europe also showed keen interest to do Joint Research Projects with faculties and students of GTU – CKSVIM.

GERMANY: Highly Industrialised country of meticulous perfection, Audi, Mercedes, VolksWagon and Porshe Cars

Invited, hosted and facilitated by **Prof. Dr. Augenstein and Dr. Ramesh Shah,** new opportunity is developed for GTU-MBA students study tour for 15 days, and Summer Internship Project for 4-6 weeks at DHBW Stuttgart and Heilbronn. **Dr. Khajuria** experienced a new model of **Dual Education system in DHBW State Cooperative University in Germany,** where students study 3 months in university and work 3 months in business or industry in every semester from first to last. **100% Students get jobs** from day 1 of joining the university. **DHBW has 1200 business partners. CKSVIM has 100 business partners for 200 MBA students.** This **Dual Education Model is recommended for GTU, Gujarat and India to improve India's Management and Technical Education System, said Dr. Khajuria.**

Prof. Dr. Charles Savage, living in **Munich** and a Visiting Professor to **GTU-MBA program,** specially travelled to conduct a meeting with Dr. Khajuria in Stuttgart Hotel for improvisation of **GTU-MBA Program** with the latest subjects like **Indian Wisdom, Industry 4.0 and Agriculture 4.0.**

SLOVENIA: God has given everything – Education, Business, Great History, Sea, Rivers, Mountains, and Quality of Life at Attractive Cost:

Invited, hosted and facilitated by **Prof. Dr. Samo Bobek, Dean, University of Maribor, Dr. Khajuria** attended **"International Week" with 15 European Universities.** New Opportunity is developed for Two-weeks to one-semester study by **GTU-CKSVIM MBA students in Slovenia,** 1 week's **business visit by MSMEs through Vadodara Chamber of Commerce and Industry (VCCI),** and Joint Research and Publications were the main agenda of discussions. Also **inspired by Mr. Boris Jelovsek, Minister Plenipotentiary, Embassy of the Republic of Slovenia, New Delhi, Dr. Khajuria** visited **International Centre for Promotion of Enterprises (ICPE), Ljubljana,** met **Mr. David,** Manager, yielded opportunities for Visit and Training of MBA students and MSMEs of Vadodara / Gujarat / India.

GENEVA, SWITZERLAND: The United Nations, ITC, WTO

Dr. Khajuria visited the **United Nations in Geneva (Switzerland)** to continue and strengthen **CKSVIM Agreement of 2013 with International Trade Centre, World Trade Organization (ITC-WTO)** under which CKSVIM teaches a special course on **"WTO and its Impact on Business and Industry"**, approved by **GTU.** Thanks to **Mr. Vinod Rege and Dr. Raj Bhandari, both Former Directors of ITC, WTO,** who facilitated various meetings. He interacted with **Dr. Ashish Shah, Director (Country Programs) and Dr. Raj Agrawal, Director, ITC, Ms. Susana Oliveres** and others for developing new opportunities for **country studies, case studies, eLearning program,** and **Students' visit to The United Nations** in 2017.

POLAND: Country of Manufacturing Industry and Hardworking People:

Invited, hosted and facilitated by **Prof. Dr. Z. Polkowski,** and empowered by **Dr Akshai Aggarwal, Hon. Former Vice Chancellor, Gujarat Technological University (GTU), Dr. Rajesh Khajuria** as **Dean-GTU,** and **Director-CKSVIM,** Vadodara, India signed an **MOU with UJW University, with Prof. Dr. D. Zajac, Chancellor of this Government Polish University. Another MOU** was signed with **Prof. Janusz Swierkocki, Pro Dean and Prof. Dr. Marian Niedzwiedzinski, Lords University, Lords, Poland. Dean Prof. Zofia Wiszkowska; Prof. Arcadiusz Januszewski, Vice- Dean for Science and Dr Malgorzata Zajdel – Vice-Dean** for **Students Affairs,** of **UTP University of Science & Technology, Bydgoszez, Poland,** showed keen interest in Joint Research Projects and publishing.

MESSAGE to INDIA

The education is free of fees in all European Nations. Can we dream of India offering free university education to all Indian people by 2025? Currently, 86% of Management and Technical Education is offered by Private Colleges in India on fee or cost-plus basis.

Thanks!

Perception Towards Sukanya Samriddhi Account Yozana – A Comparative Study on Rural And Urban Areas

SMJV CENTENARY
1915 - 2015

Dr. B. Angamuthu : Assistant Professor, Kovai Kalaimagal College of Arts and Science, Vellimalaipattinam, Narasipuram , Coimbatore (Tamilnadu).
Email: muthuanga82@gmail.com

Abstract

Sukanya Samriddhi Account Yozana (SSAY) is an excellent way to secure the future of a girl child. Girls, especially in India are brought up by the parents and they move out of the family once they get married. Since, their marriage is a financial burden for most of the parents in middle and lower income groups of the society, this scheme would serve a security for the parents as well as the girl child for a carefree future. The aim of SSAY has been attained when the public received greater responsiveness through investment. This study aims to study the awareness of SSAY across various socio-economic factors in the rural and urban areas. This empirical study is done with the help of primary data which was collected from various households of Coimbatore, Tiruppur and Erode Districts of Tamil Nadu. 455 valid responses used for the analysis purpose. This study reported that there is no bigger deviation in the awareness of SSAY in the rural and urban areas. A little more than half of the public in rural and urban areas have awareness of SSAY. Moreover, this study reported that there exist strong relationship towards awareness of SSAY among various socio-economic factors namely educational qualifications, occupational status and family income in the urban areas. But in the rural areas, there exist moderate relationship between socio-economic factors and awareness of SSAY.

Keywords: Financial inclusion, Women empowerment, SSAY, Small saving scheme

Introduction

Financial Inclusion is one of the top most priorities of the government. Exclusion of a large number of people from any access to financial services inhibits the growth of our country. Over last one year, government has launched various flagship social security schemes with an objective of broadening financial inclusion in India. This was done to make financial services such as banking, insurance, and others available to the Indian citizens especially from the low & middle class category at an affordable cost and make them financially secure. It includes Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, Atal Pension Yojana, Jeevan Surksha Bandhan Yozana, Pradhan Mandri Jan Dhan Yozana, Sukanya Samriddhi Account Yozana (SSAY). Among various financial inclusion programs, the SSAY is the small savings scheme and has been implemented with a mission to secure the financial future of the girl child. Gender inequality is one of the most pressing issues in the country today and hence, this scheme is being seen as a great step towards eliminating gender related issues. In a country like India, where education of male child is given preference and where wedding expense of girls is seen as a great liability, the launch of this girl child specific is a massive step. The scheme will help girls achieve financial independence and help them have money at hand for higher education as well as wedding expenses. Moreover, it is part of the government's efforts to encourage financial inclusion and increase domestic savings, which have fallen from 36% of gross domestic product in 2008 to 30% in 2013. This scheme was launched on 22nd December, 2015 by the honourable Indian Prime Minister Shri. Narendra Modi under the *Beti Padhao Beti Bachao* initiative. Presently, the SSAY is availed at Indian Post offices, State Bank of India and its associate banks, nationalized banks, Axis bank and ICICI Bank.

About SSAY

Parents or legal guardians of the girl child can open this account with any post office or authorized banks for this scheme with an minimum deposit of Rs 1,000 or more in one financial year and maximum of Rs. 1,50,000. They are allowed to open the account for two girl children under SSAY. The third account in the name of the girl child can be opened in the event of birth of twin girls, as second birth or if the first birth itself results into three girl children. Whereas a girl can't have more than one account across all post offices and banks. The government has age limit for opening account under SSAY and it shows that any girl child till she attains a maximum age of 10 years. Since the scheme offers a secure financial future for the girl child and full income tax savings under 80C along with offering 9.2% of interest, it has become quite a good inclusion of financial services of girl child. Withdrawal facility is also available under SSAY for the purpose of higher education and marriage of the account holder. The SSAY promises a fairly higher return as compared to other existing deposit schemes but the rates of interest may vary with every financial year but which is surely be at par with PPF and other small saving schemes. One of the most distinguishing features of the scheme is that Sukanya Samriddhi deposit amount can only be withdrawn by the girl child and not even the depositor (parent or guardian) is allowed to withdraw money on behalf of the girl.

Issues Raised for the study

India is the second most populous country in the world, with over 1.2 billion. Among them, India has around 10% of its populations as girl child below the age of 10 years. This is followed by expansion of postal network, in public sector bank branches in the rural and urban areas; thus there is a huge potential growth of SSAY in both rural and urban areas. But, the victory of SSAY completely depends on public awareness and their acceptance. In this situation the Researcher raised the following questions.

- Does the public have sufficient awareness about SSAY in the rural and urban area?
- How do socio-economic factors determine the investment in SSAY?

In order to find out the answers for the above issues the researcher has undertaken this research work titled "Perception towards Sukanya Samriddhi Account Yozana – A Comparative study on Rural and Urban areas" with the following objectives.

Objectives of the Study

- To analyze the relationship towards awareness of SSAY among socio-economic factors in the rural and urban areas
- To explore the socio-economic factors that determines the investment under SSAY in the rural and urban areas

Hypotheses of the study

Ho_1: There is no significant relationship between socio-economic factors namely age group, gender, educational qualification, occupational status, family income, proportion of saving, preference on term of investment and awareness of SSAY in the rural and urban areas.

Ho_2: Age group, gender, educational qualification, occupational status, family income, proportion of saving, preference on term of investment does not determine the investment under SSAY in the rural and urban areas.

Research Methodology

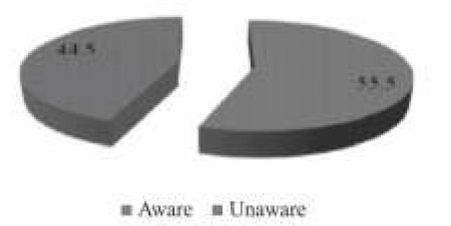
This empirical study has been conducted in Coimbatore, Tiruppur and Erode Districts of Tamil Nadu state. Both secondary and primary data were used for the study whereas this study mainly depends on the primary data. Self-designed questionnaire were used to collect primary data and totally five hundred questionnaires distributed to various households in the rural and urban households on the basis of convenient sampling technique. For the usage in the theoretical parts, secondary data were also collected from reports published by Ministry of finance and Department of Posts, Census report (2011), Journals, various websites. This study used five field investigators to collect primary data during the months of August and September' 2015. Finally, 455 questionnaires used for final study which from rural (182 respondents) and urban (273 respondents) households. Inference of the study derived from application of few statistics namely Cross tabulation, % analysis, Chi-square test ($\chi 2$) and also to Cramers V test.

Analysis and Discussions

Awareness of SSAY in Rural Areas

Distribution of the respondents based on their awareness of SSAY is given in Figure – 1. It shows that 55.5% of the respondents are aware of SSAY and the remaining 44.5% of them do not have.

Figure-1: Awareness of SSAY in Rural Areas (in %)

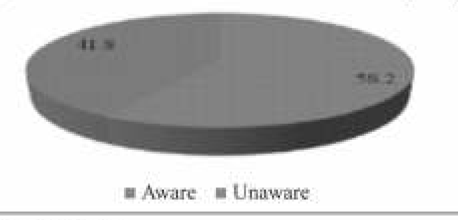


(Source: Field Survey)

Awareness of SSAY in Urban Areas

Distribution of the respondents based on their awareness of SSAY is given in Figure – 2 and it can be concluded that nearly 6/10th of the respondents are aware of SSAY.

Figure-2: Awareness of SSAY in Urban Areas (in %)



(Source: Field Survey)

Relationship between Age group and Awareness of SSAY

Ho: There is no significant relationship towards awareness of SSAY among various age groups in the rural and urban areas.

Table 1: Awareness of SSAY among various Age groups						
Age group (in years)	Rural Areas			Urban Areas		
	Aware	Unaware	Total	Aware	Unaware	Total
Upto 25	40(83.3)	8(16.7)	48(100)	43(58.9)	30(41.1)	73(100)
26-40	24(47.1)	27(52.9)	51(100)	35(53)	31(47)	66(100)
41-55	26(65)	14(35)	40(100)	28(42.4)	38(57.6)	66(100)
Above 55	11(25.6)	32(74.4)	43(100)	53(77.9)	15(22.1)	68(100)
$\chi2$= 33.573**; df = 3; Sig. 0.000				$\chi2$= 18.390**; df = 3; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

Table 1 explains that the relationship between age group of the respondents and their awareness of SSAY based on the χ^2 test. The calculated value is significant in the rural [χ^2 {Σ (0 - E)^2/E } = 33.573; **p<0.01; Reject Ho] and urban areas [χ^2 {Σ (0 - E)^2/E } = 18.390; **p<0.01; Reject Ho]. Thus, it can be concluded that there is a significant relationship towards awareness of SSAY among various age groups in the rural and urban areas.

Relationship between Gender and Awareness of SSAY

Ho: There is no significant relationship between gender of the respondents and their awareness of SSAY in the rural and urban areas.

Table 2: Awareness of SSAY between Male and Female						
Gender	Rural Areas			Urban Areas		
	Aware	Unaware	Total	Aware	Unaware	Total
Male	87(75.7)	28(24.3)	115(100)	81(64.8)	44(35.2)	125(100)
Female	14(20.9)	53(79.1)	67(100)	78(57.2)	70(47.3)	148(100)
$\chi2$= 51.394**; df = 1; Sig. 0.000				$\chi2$= 4.078*; df = 1; Sig. 0.043		

(Source: Field Survey) (The values in brackets are percentages)

It could be collected from Table 2 that the relationship between gender of the respondents and their awareness of SSAY based on the χ^2 test. The calculated value is significant in the rural [χ^2 {Σ (0 - E)^2/E} = 51.394; **p<0.01; Reject Ho] and urban areas [χ^2 {Σ (0 - E)^2/E} = 4.078; *p<0.05; Reject Ho]. Hence, it can report that there is a significant relationship between gender of the respondents and their awareness of SSAY in the rural and urban areas.

Relationship between Educational qualification and Awareness of SSAY

Ho: There is no significant relationship towards awareness of SSAY among various educational qualifications in the rural and urban areas.

Table 3: Awareness of SSAY among various Educational qualifications						
Educational qualification	Rural Areas			Urban Areas		
	Aware	Unaware	Total	Aware	Unaware	Total
No formal education (I - VIII)	0(0)	44(100)	44(100)	0(0)	53(100)	53(100)
School education (IX - XII)	48(56.5)	37(43.5)	85(100)	22(26.5)	61(73.5)	83(100)
Higher education	53(100)	0(0)	53(100)	137(100)	0(0)	137(100)
$\chi2$= 97.402**; df = 2; Sig. 0.000				$\chi2$= 206.519**; df = 2; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

It is obvious from Table 3 that the calculated value of χ^2 is statistically significant in the rural [χ^2 {Σ (0 - E)^2/E} = 97.402; **p<0.01; Reject Ho] and urban areas [χ^2 {Σ (0 - E)^2/E} = 206.519; **p<0.01; Reject Ho]. Therefore, it can be concluded that there is a significant association towards awareness of SSAY among various educational qualifications of the respondents in the rural and urban areas.

Relationship between Occupational Status and Awareness of SSAY

Ho: There is no significant association towards awareness of SSAY among various occupational statuses in the rural and urban areas.

Table 4: Awareness of SSAY among various Occupational Statuses						
Occupation	Rural Areas			Urban Areas		
	Aware	Unaware	Total	Aware	Unaware	Total
Government employee	34(91.9)	3(8.1)	37(100)	44(77.2)	13(22.8)	57(100)
Private employee	9(69.2)	4(30.8)	13(100)	35(43.2)	46(56.8)	81(100)
Profess ionals	0(0)	0(0)	0(0)	43(100)	0(0)	43(100)
Business	18(100)	0(0)	18(100)	19(100)	0(0)	19(100)
Agriculturists	24(39.3)	37(60.7)	61(100)	0(0)	8(100)	8(100)
Retired	10(55.6)	8(44.4)	18(100)	14(73.7)	5(26.3)	19(100)
Others (Housewives & Daily labourers)	6(17.1)	29(82.9)	35(100)	4(8.7)	42(91.3)	46(100)
$\chi2$= 62.561**; df = 5; Sig. 0.000				$\chi2$= 119.847**; df = 6; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

Table 4 explains that there is significant relationship towards awareness of SSAY among various occupational statuses in the rural [χ^2 {Σ (0 - E)^2/E } = 62.561; **p<0.01; Reject Ho]and urban areas [χ^2 {Σ (0 - E)^2/E } = 119.847; **p<0.01; Reject Ho] because the calculated value is significant at 1% level.

Relationship between Family income and Awareness of SSAY

Ho: There is no significant association towards awareness of SSAY among various family incomes in the rural and urban areas.

Table 5: Awareness of SSAY among various Family incomes

Family income (Rs. Per month)	Rural Areas Aware	Rural Areas Unaware	Total	Urban Areas Aware	Urban Areas Unaware	Total
Upto 10,000	1(4.8)	20(95.2)	21(100)	10(13.7)	63(86.3)	73(100)
10,001 - 20,000	65(56.5)	50(43.5)	115(100)	60(55)	49(45)	109(100)
20,001 - 30,000	18(62.1)	11(37.9)	29(100)	72(97.3)	2(2.7)	74(100)
Above 30,000	17(100)	0(0)	17(100)	17(100)	0(0)	17(100)
χ2= 36.074**; df = 3; Sig. 0.000				χ2= 118.611**; df = 3; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

It could be collected from Table 5 that the calculated value of χ^2 {Σ (0 - E)^2/E} in the rural areas [χ^2 = 36.074; **p<0.01; Reject Ho] and urban areas [χ^2 {Σ (0 - E)^2/E } = 118.611; **p<0.01; Reject Ho] which is statistically significant. Hence, reject the hypothesis and it can be concluded that there is a significant relationship towards awareness of SSAY among various family incomes in the rural and urban areas.

Relationship between Proportion of Saving and Awareness of SSAY

Ho: There is no significant relationship towards awareness of SSAY among various saving proportions in the rural and urban areas.

Table 6: Awareness of SSAY among various proportion of saving

Saving proportion (per month)	Rural Areas Aware	Rural Areas Unaware	Total	Urban Areas Aware	Urban Areas Unaware	Total
Less then 10	41(49.4)	42(50.6)	83(100)	50(35.2)	92(64.8)	142(100)
10 - 20	43(60.6)	28(39.4)	71(100)	80(80)	20(20)	100(100)
Above 20	17(60.7)	11(39.3)	28(100)	29(93.5)	2(6.5)	31(100)
χ2= 2.297; df = 2; Sig. 0.317				χ2= 66.323**; df = 2; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

It is obvious from Table 6 that the relationship between proportion of saving of the respondents and their awareness of SSAY based on the χ^2 test; the calculated value is not significant in the rural areas [χ^2 {Σ (0 - E)^2/E} = 2.297; p>0.05; Accept Ho]. Thus, it can be concluded that there is no significant relationship between proportion of saving of the respondents and their awareness of SSAY in the rural areas. On the other hand, the calculated value is significant [χ^2 {Σ (0 - E)^2/E} = 66.323; **p>0.05; Reject Ho] in the urban areas. Therefore, it can be concluded that there is a significant relationship between proportion of saving of the respondents and their awareness of SSAY in the urban areas.

Relationship between Preference of term of investment and Awareness of SSAY

Ho: There is no significant relationship towards awareness of SSAY across various preferences on term of investment in the rural and urban areas.

Table 7: Awareness of SSAY among various Preferences on term of investment

Preference	Rural Areas Aware	Rural Areas Unaware	Total	Urban Areas Aware	Urban Areas Unaware	Total
Short term (Maximum of 1 year)	24(63.2)	14(36.8)	38(100)	0(0)	31(100)	31(100)
Medium term (1-5 years)	42(67.7)	20(32.3)	62(100)	81(79.4)	21(20.6)	102(100)
Long term(Above 5 years)	35(42.7)	47(57.3)	82(100)	78(55.7)	62(44.3)	140(140)
χ2= 10.119**; df = 2; Sig. 0.006				χ2= 63.401**; df = 3; Sig. 0.000		

(Source: Field Survey) (The values in brackets are percentages)

It could be collected from Table 7 that the relationship between preference on term of investment of the respondents and their awareness of SSAY. The calculated value is statistically significant in the rural [χ^2 {Σ (0 - E)^2/E} = 10.119; **p<0.01; Reject Ho] and urban areas [χ^2 {Σ (0 - E)^2/E} = 63.401; **p<0.01; Reject Ho] . Therefore, it can be reported that there is a significant relationship towards awareness of SSAY across various preferences on term of investment in the rural and urban areas.

Level of Relationship towards Awareness of SSAY across socio-economic factors in the rural areas

The variables are further tested with Cramer's V for the purpose of measure the extent of relationship towards awareness of SSAY across socio-economic factors in the rural areas. Table – 8 reported that there exists strong relationship towards awareness of SSAY among various educational qualifications [CV = 0.732;**p<0.01]. Further, there exists moderate relationship between age group (in years) [CV = 0.429;**p<0.01], gender[CV = 0.531;**p<0.01], occupational status[CV =

0.586;**p<0.01], family income [CV = 0.445;**p<0.01]of the respondents and their awareness of SSAY but low relationship between preference on term of investment [CV = 0.236;**p<0.01]and awareness of SSAY.

Table 8: Relationship towards awareness of SSAY across Socio-economic factors in the Rural areas

Independent variable	Statistical value	Acceptance level	Level
Age group (in years)	0.429**	Sig. at 5% level	Moderate relationship
Gender	0.531**	Sig. at 1% level	Moderate relationship
Educational qualification	0.732**	Sig. at 1% level	Strong relationship
Occupational status	0.586**	Sig. at 1% level	Moderate relationship
Family income (Rs. Per month)	0.445**	Sig. at 1% level	Moderate relationship
Preference on term of investment	236**	Sig. at 1% level	Low relationship
Statistic Value: <0.4 (Low Relationship), >=0.4 to <=0.6 (Moderate relationship), >0.6 (Strong Relationship)			

(Source: Field Survey)

Level of Relationship towards Awareness of SSAY across socio-economic factors in the urban areas

Table 9 explains that there exists strong relationship towards awareness of SSAY among various educational qualifications [CV = 0.870;**p<0.01], occupations [CV = 0.613;**p<0.01], family incomes [CV = 0.659;**p<0.01]. Further, there exists moderate relationship between proportion of saving [CV = 0.493;**p<0.01], preference on term of investment [CV = 0.478;**p<0.01] of the respondents and their awareness of SSAY. There exists low relationship between age groups [CV = 0.260;**p<0.01], Gender [CV = 0.122;*p<0.05] of the respondents and their awareness of SSAY.

Table 9: Relationship towards awareness of SSAY across Socio-economic factors in the Urban areas

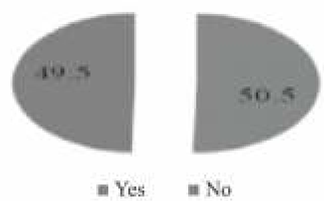
Independent variable	Statistical value	Acceptance level	Level
Age group (in years)	0.260**	Sig. at 1% level	Low relationship
Gender	0.122*	Sig. at 5% level	Low relationship
Educational qualification	0.870**	Sig. at 1% level	Strong relationship
Occupational status	0.613**	Sig. at 1% level	Strong relationship
Family income (Rs. Per month)	0.659**	Sig. at 1% level	Strong relationship
Proportion of saving (in % per month)	0.493**	Sig. at 1% level	Moderate relationship
Preference on term of investment	0.478**	Sig. at 1% level	Moderate relationship
Statistic Value: <0.4 (Low Relationship), >=0.4 to <=0.6 (Moderate relationship), >0.6 (Strong Relationship)			

(Source: Field Survey)

Investment under SSAY in the Rural Areas

Distribution of the respondents based on their investment under SSAY is given in Figure 3 and it can be reported that a little more than half of the respondents have investment under SSAY.

Figure-3: Investment under SSAY in Rural Areas (in %)



(Source: Field Survey)

Socio-economic factor-wise investment under SSAY in the Rural areas

Ho: Age group, gender, educational qualification, occupational status, family income, proportion of saving, preference on term of investment does not determine the investment under SSAY in the rural areas.

Table 10: Relationship of Socio - economic factors and Investment under SSAY in the Rural Areas

Invest ment	Age group (in years)				Gender		Educational qualification		Family Income (Rs. Per month)			
	Upto 25	26-40	41-55	Above 55	Male	Female	School education	Higher education	Up to 10,000	10,001-20,000	20,001-30,000	Above 30,000
Yes	19 (47.5)	16 (66.67)	15 (57.7)	1 (9.1)	43 (49.4)	8(57.1)	16(33.3)	35(66)	1(100)	15(23.1)	18(100)	17(100)
No	21(52.5)	8(33.3)	11(42.3)	10 (90.9)	44(50.6)	6(42.9)	32(66.7)	18(34)	0(0)	50(76.9)	0(0)	0(0)
Total	40(100)	24(100)	26(100)	11(100)	87(100)	14(100)	48(100)	53(100)	1(100)	65(100)	18(100)	17(100)
$\chi 2$= 10.737*; df = 3; Sig. 0.013					$\chi 2$= 0.287; df = 1; Sig. 0.592		$\chi 2$= 10.777**; df = 1; Sig. 0.001		$\chi 2$= 54.842**; df = 3; Sig. 0.000			

Investment	Occupational Statuses						Proportion of Saving (per month)			Preference on term of investment		
	Government employee	Private employee	Business	Agri culturists	Retired	Others	Less then 10	10 -20	Above 20	Short Term	Medium Term	Long Term
Yes	25(73.5)	8(88.9)	18(100)	0(0)	0(0)	0(0)	1(2.4)	33(76.7)	17(100)	0(0)	24(57.1)	27(77.1)
No	9(26.5)	1(11.1)	0(0)	24(100)	10(100)	6(100)	40(97.6)	10(23.3)	0(0)	24(100)	18(42.9)	8(22.9)
Total	34(100)	9(100)	0(0)	24(100)	10(100)	6(100)	41(100)	43(100)	17(100)	24(100)	42(100)	35(100)
χ2= 70.971**; df = 5; Sig. 0.000							χ2= 66.396**; df = 2; Sig. 0.000			χ2= 35.165**; df = 2; Sig. 0.000		

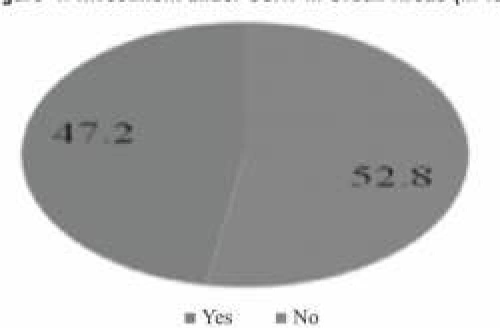
(Source: Field Survey) (The values in the brackets are percentages)

Table 10 explains that there exists a significant relationship on investment under SSAY across various age groups [χ^2 {Σ (0 - E)^2/E } = 10.737; *p<0.05; Reject Ho], educational qualification [χ^2 {Σ (0 - E)^2/E } = 10.777; **p<0.01; Reject Ho], occupational status[χ^2 {Σ (0 - E)^2/E } = 70.971; **p<0.01; Reject Ho], family income [χ^2 {Σ (0 - E)^2/E } = 54.842; **p<0.01; Reject Ho], proportion of saving[χ^2 {Σ (0 - E)^2/E } = 66.396; **p<0.01; Reject Ho], preference on term of investment[χ^2 {Σ (0 - E)^2/E } = 35.165; **p<0.01; Reject Ho]. Hence, it can be reported that age group, educational qualification, occupational status, family income, proportion of saving, preference on term of investment determines the investment behavior under SSAY in the rural areas whereas gender [χ^2 {Σ (0 - E)^2/E } = 0.287; p>0.05; Reject Ho] do not determine the investment behavior in the rural areas.

Investment under SSAY in the Urban Areas

Distribution of the respondents based on their investment under SSAY is given in the Figure 4 and it can be reported that majority (52.8%) of the respondents have investment under SSAY and the remaining 47.2% do not have.

Figure-4: Investment under SSAY in Urban Areas (in %)



(Source: Field Survey)

Socio-economic factor-wise investment under SSAY in the Urban areas

Ho: Age group, gender, educational qualification, occupational status, family income, proportion of saving, preference on term of investment does not determine the investment under SSAY in the urban areas.

Table 11: Relationship of Socio-economic factors and Investment under SSAY in the Urban Areas

Investment	Age group (in years)				Gender		Educational qualification		Family Income (Rs. Per month)			
	Upto 25	26-40	41-55	Above 55	Male	Female	School education	Higher education	Up to 10,000	10,001-20,000	20,001-30,000	Above 30,000
Yes	27(62.8)	8(22.9)	7(25)	42(79.2)	40(49.4)	44(56.4)	18(81.8)	66(48.2)	10(100)	41(68.3)	16(22.2)	17(100)
No	16(37.2)	27(77.1)	21(75)	11(20.8)	41(50.6)	34(43.6)	4(18.2)	71(51.8)	0(0)	19(31.7)	56(77.8)	0(0)

Total	43(100)	35(100)	28(100)	53(100)	81(100)	78(100)	22(100)	137(100)	10(100)	60(100)	72(100)	17(100)
χ2= 37.872**; df = 3; Sig. 0.000					χ2= 0.787; df = 1; Sig. 0.375		χ2= 8.610**; df = 1; Sig. 0.003		χ2= 56.962**; df = 3; Sig. 0.000			

Investment	Occupational Statuses							Proportion of Saving (per month)			Preference on term of investment	
	Government employee	Private employee	Professionals	Business	Agriculturists	Retired	Others	Less then 10	10 -20	Above 20	Medium Term	Long Term
Yes	10(22.7)	35(100)	20(46.5)	7(36.8)	0(0)	12(85.7)	0(0)	22(44)	45(56.3)	17(58.6)	33(40.7)	51(65.4)
No	34(77.3)	0(0)	23(53.5)	12(63.2)	0(0)	2(14.3)	4(100)	28(56)	35(43.8)	12(41.4)	48(59.3)	27(34.6)
Total	44(100)	35(100)	43(100)	19(100)	0(0)	14(100)	4(100)	50(100)	80(100)	29(100)	81(100)	78(100)
χ2= 60.443**; df = 5; Sig. 0.000							χ2= 2.330; df = 2; Sig. 0.312				χ2= 9.684**; df = 1; Sig. 0.002	

(Source: Field Survey) (The values in the brackets are percentages)

Table 11 explains that there exists a significant relationship on investment under SSAY across various age groups [χ^2 {Σ (0 - E)^2/E } = 37.872; **p<0.01; Reject Ho], educational qualification [χ^2 {Σ (0 - E)^2/E } = 8.610; **p<0.01; Reject Ho], occupational status[χ^2 {Σ (0 - E)^2/E } = 60.443; **p<0.01; Reject Ho], family income [χ^2 {Σ (0 - E)^2/E } = 56.962; **p<0.01; Reject Ho], preference on term of investment[χ^2 {Σ (0 - E)^2/E } = 9.684; **p<0.01; Reject Ho]. Therefore, it can be reported that the age group, educational qualification, occupational status, family income, preference on term of investment determines the investment behavior under SSAY in the rural areas whereas gender [χ^2 {Σ (0 - E)^2/E } = 0.787; p>0.05; Reject Ho] and proportion of saving [χ^2 {Σ (0 - E)^2/E } = 2.330; p>0.05; Reject Ho]does not determine the investment behavior in the urban areas.

Conclusion

From the discussion mentioned above it can be concluded that the awareness of SSAY availed at 55.5% in the rural and 58.2% in urban areas. The awareness level of SSAY in the rural and urban areas have been depends on the various socio-economic factors. Among them educational qualification, occupational status and family income level have been influenced to generate awareness of SSAY. Little more than half of the respondents who are having awareness in the rural and urban areas have investment under SSAY. The factors like age group, educational qualification, occupational status, family income, proportion of saving, preference on term of investment is determines the investment under SSAY in the rural and urban areas. The awareness about SSAY is very low in rural and urban areas. So, the Government and RBI must authorize all banks to provide SSAY scheme because country's largest banking network (1,25,857 as on 31.3.2015) helps to attain better growth of SSAY. Furthermore, post offices play a vital role in the development of rural lives and 86% of the postal network has been connected with rural areas. Therefore, the postal department must be organize more awareness camps associate with anganwadis, Non-Government Organizations (NGOs), Self-Help Groups (SHGs) in order to create awareness in the rural areas regarding benefits under SSAY.

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Allocation Of Asset By Investing In Positively Correlated Assets Increases Your Risk : An Empirical Analysis

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Dr. Hiteksha S. Joshi : Assistant Professor at NRIBM, GLS University, Ahmedabad. Email: hitekshajoshi@gmail.com

Abstract

As Markowitz suggested about diversification effect on investment in his modern Portfolio theory, in this paper research is conducted on understanding if asset allocation by investing in positively correlated assets increase your risk, with the help of CNX Bank Index and CNX Finance Index. As both the index includes similar components as well as same environmental changes, its fluctuation in the market performance is to be examined. Research paper indicates impact in risk level if investments are positively correlated as for the 10 years closing value of both these Index is considered.

Key words: CNX Bank Index, CNX Finance index, Correlation, Portfolio, Risk

Introduction

Nowadays, list of desire of individuals is getting longer and longer. To match this desire we have ample investment avenues to fulfil from. But the selection of avenues should not be haphazardly done; it should be as per risk tolerance level and done systematically. Modern financial instruments such as Index funds, Index future, derivatives, index option etc. plays an important role in financial investment and risk Management.

Modern portfolio theory of Markowitz mainly focuses on optimum portfolio construction, diversification and portfolio construction with correction effect. CNX Bank and CNX Finance Index are taken as samples which comes under the category of Broad market Index. Broad market index means large and liquid stock listed on stock exchange.

Frame of reference

Basle (2009) analyzed changing global environment for financial emergence of new economic power in recent times, diversification of investment portfolio at country and sector level. The researcher has proposed the dynamics of correlation of stock market's risk and return between industry sectors in India using DCC GARCH model and verified efficient portfolio which generates return above the market data.

Natarajan (2012) endeavours to build optimum portfolio by using SIM [single Index Model]. For the research purpose daily closing of NIFTY 50 is considered, and weighted of investment in each stock of NIFY 50 is decided on the basis of risk return analysis. Result of the study indicates that it gives return of 0.116%.

Dhani A R (2012) focused on the financial assets and the research work was restricted to financial assets and securities comparison between a portfolio constructed through CAPM Model and best five Mutual fund for the period of 2006-2009. The research focused on Min-max approach which ensures high level of return in context of index, managed funds or Mutual funds.

Padhi (2011) studied research outcome of volatility and linkages between specific countries were highlighted for the research work. Marker price of stock index from India, Japan, Hong Kong, South Korea, US and Germany were taken. The result of the study suggests that there is considerable impact of US implied volatility Index on other International implied volatility Indices.

Anupam (2014) intended to see how investors should go for selecting right avenue for the investment; as well how much weight of total is going to be invested to carry out these work. Researcher had taken Nifty portfolio Sensex portfolio and Markowitz modern portfolio theory. For the evaluation Sharpe index had been preferred. Research work highlights effects of historical data on risk and return.

Kulkarni Ram Kumar (2002) had done empirical testing of data and verified theories on the determinants of the firm's performance in the Indian context. To carry out this research work, financial statement data and capital market performance of around 560 large Indian Companies were taken into consideration. Research outcome indicates that there is positive correlation between size, marketing expenses and diversification with firm's market valuation; as well as that there will be different implication on different class of investors of the firm.

Mandal Niranjan (2013) made an effort to get insight in Sharpe's Index model and to construct an optimum portfolio using empirical data. Optimum portfolio is compared with BSE Sensex as it is considered as barometer of Indian economy. To conduct these research work daily closing of sampled securities for the time duration of April 2001 to march 2011 was taken and formulated cut off rate to Construct optimum portfolio.

Sample Unit for the study

CNX Bank Index and CNX Finance Index : As per Indian financial system, almost all finance sector as well banks are governed by RBI rules and regulations. Market movement of both this index is almost same and both these index comes under the same umbrella.

Hypothesis of the study

H1: Assets Allocation by Investing in Positively correlated assets Increases your risk.

H0: Assets Allocation by Investing in Positively correlated assets will not have any effect on risk level.

Tenure

Ten years closing value is taken into consideration for the calculation. Year for the calculation is 2003 to 2015.

Empirical analysis

As both these Indexes are depending on similar factors it is assumed that there is positive correlation between these two index portfolios.

To test assets allocation in positively correlated assets empirical analysis was done on these index portfolios.

Closing value of last ten years is taken as base of calculations.

Table 1: Individual Risk Assessment of CNX Bank and CNX Finance

Individual Risk Assessment				
Yearly (Closing value)	Closing value		Return (%)	
	CNX Bank Index	CNX Finance Index	CNX Bank Index	CNX Finance Index
31-Dec-03	2588.78	1000		
31-Dec-04	3497.36	1241.02	35.09684098	24.102
30-Dec-05	4534.2	1689.92	29.64636183	36.17185863
29-Dec-06	6008.75	2400.18	32.52062106	42.02920848
31-Dec-07	9863.45	4312.64	64.15144581	79.67985734
31-Dec-08	5001.55	1934.82	-49.2920834	-55.13606515
31-Dec-09	9029.5	3650.68	80.53403445	88.683185
31-Dec-10	11791.45	4742.46	30.58807243	29.90620925
30-Dec-11	7968.65	3367.67	-32.42010101	-28.98896353
31-Dec-12	12474.25	5117.4	56.54157229	51.95669409
31-Dec-13	11385.25	4742.9	-8.729983767	-7.318169383
31-Dec-14	18736.65	7462.70	64.56950879	57.34466254
31-Dec-15	16922.2	7059.15	-9.681895815	-5.407560266
	Average Return		23.86367807	26.10858147

(Source: Author)

Table 2: SD and Correlation of CNX Bank and CNX Finance

Standard Deviation	CNX Bank Index	41.85190534	Correlation (r)	0.986421944
	CNX Finance Index	45.43683226		

(Source: Author)

Table 3: Portfolio Risk Assessment of CNX Bank and CNX Finance

	Weight (wn)	Volatility (σn)	Average Return	$Wn\sigma n$
CNX Bank Index	50%	41.85190534	23.89175553	20.92595267
CNX Finance Index	50%	45.43683226	13.00848328	22.71841613
Total	100%			

(Source: Author)

Table 4: Correlation Matrix of CNX Bank and CNX Finance

Correlation Matrix		
Stock	CNX Bank Index	CNX Finance Index
CNX Bank Index	1	0.986421944
CNX Finance Index	0.986421944	1

(Source: Author)

Transpose this matrix to get [Table: V]

$$= [\, W1\sigma1 \ \ldots \ Wn\sigma n \,] \times \begin{bmatrix} 1 & P12 & \ldots & P1n \\ P21 & 1 & \ldots & P2n \\ : & : & \ldots & : \\ Pn1 & \ldots & \ldots & 1 \end{bmatrix} \times \begin{bmatrix} W1\sigma1 \\ : \\ Wn\sigma n \end{bmatrix}$$

Table 5: Portfolio outcomes of CNX Bank and CNX Finance

Portfolio Return	18.4501194
Variance	1891.92079
RISK;σ	43.49621582

(Source: Author)

Analysis and Interpretation

As per our economy activity and governance, CNX Bank and CNX Finance are positively correlated assets. It is proved by its calculation of correlation where r = 0.986421944. It indicates there is strong positive correlation between CNX Bank and CNX Finance;

Individual average return of CNX Bank and CNX Finance is 23.86367807 and 26.10858147 respectively. Whereas portfolios return = 18.4501194which is lower than average return of both the assets.

As per the theory suggested by Markowitz, if portfolio is created by investing in positively correlated assets it would reduce portfolio return.

So, here Markowitz theory is proved true if portfolio is made up of positively correlated assets it would reduce portfolio return.

Thus, Null hypothesis is accepted i.e. CNX Bank and CNX Finance are positively correlated assets and investment in this portfolio would reduce portfolio return.

Conclusion

From the all above Statistical data and calculation whatever is advocated by Markowits related to positively correlated assets proves here with the help of CNX Bank and CNX Finance Index. Investment in positively correlated assets will increase your risk is well observed with above research work.

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Impact of Mergers on Employee Job Satisfaction: A Study on Commercial Banks of Nepal

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Dhruba Kumar Gautam (Ph. D.) : Associate Professor, Tribhuvan University, Faculty of Management, Nepal. Email : dhrubakumargautam@yahoo.com

Abstract

Merger is one of the strategic tools of corporate restructuring in which two or more companies unite to form a new one with new identity. Since the history of merger is not so long in Nepal, only few studies have been made on this topic. The main objective of the study is to ascertain the relationship between the organizational mergers and employee job satisfaction to Nepalese Banking Industry. The concept of job satisfaction was examined by making comparison between the employees who worked in the merging company and worked in merged company before the merger and their views on various job satisfaction factors and the job itself. Till January, 2015 altogether 60 bank and financial institutions have undergone merger process and formed 25 institutions, which is the population of this study. Merged institutions having the post-merger period of at least 3 year were chosen as sample. Following quantitative techniques through questionnaire survey, this study shows the significant relationship to the employees worked before and after the merger and their level of job satisfaction.

Background

Merger is an integration of two companies, combining the best of both organizations (Moffat & Mclean, 2010). In order to adapt to the changing environment of competitive business, merger has been widely used as one of the types of strategy by various organizations. Merger is a process whereby the assets of two or more companies become vested in, or under the control of one company which has as its shareholders, all or substantially all, the shareholders of the two companies. Merger participants tend to integrate more tightly as it is an ownership tie and this creates more control, responsibility and autonomy (Gurung, 2013). As such, a merger is a pooling of equals, with the newly created company often taking on a new name. Ownership ties are more permanent than partnership ties, allowing the operations of the merger participants to be tightly integrated and creating more in-house control and autonomy.

In order to compete in this competitive business world, organizations have to cut their cost by reducing the number of staffs, reducing the operational cost and via various other means as well as increasing their profit. In order to increase the profit, the capital base should be large, which they can invest and gain higher profit. Merger is one of the ways to consolidate the capital and reduce the cost. Hence the trend of merger has increased in the world. Merger always gets started with optimism, but later it might not be able to achieve the desired goals. The problem faced can be linked with the employee satisfaction. If employees are not satisfied after the merger of the organizations, their performance will be low, which will affect the success of the organization. No merger can immediately produce remarkable profit, it will certainly take some time and managing human resources along with its other operations will determine the merged organization's profitability (Singh, 2013). In merger, two or more organizational cultures are combined which might cause the cultural collision and this shock for the organizational members could disrupt the entire workings of the newly formed firm (Buono, et al., 1985).

After the liberalization policy initiated by the Nepalese government, private sector in general and financial institutions in particular have been increased rapidly in Nepal. Despite having significant contribution in the national economy the unnatural mushrooming of bank and financial institutions (BFIs), there is intense competition among them which create bad corporate governance and malpractices as well. Most of them have small capital base, some are facing a liquidity crunch and some others are about to close their operation due to their inefficient performance. The membership of WTO compels them to increase their paid up capital by January 1, 2010 which has not possible in practice. Nepal Rastra Bank- NRB (Central Bank of Nepal) suggested them to maintain the said level of paid up capital by 2013. International Monetary Fund (IMF) also suggested narrowing down the present number of financial institutions nearly to 100. So, merger is now taken as an ideal means of responding to all these issues and coping new opportunities and thereby re-establishing their competitive advantages in Nepal (Gurung, 2013). This creates forces to BFIs to undergo merger activities as a part of corporate restructuring and many of them, both large and small, have involved in merger process. Since new phenomenon of Merger practices, the job satisfaction employees before and after merger in Nepalese context has received little attention in the research. This study intends to assess post-merger attitudes especially employees' post-merger satisfaction. During merger, organization's most of the focus goes to strategic and financial planning and issues related to human resources are neglected because of which, the merger frequently fail (Pikula, 1999). Therefore, this study aims to explore the effects of the merger in employees' satisfaction, particularly in BFIs of Nepal.

Review of Literature

Merger

In the process of merger, two firms agree to integrate their operations on a relatively co-equal basis because they have resources and capabilities that together may create a stronger competitive advantage. It is much more mutual, collaborative and voluntary in which two or more companies ready to assimilate their stock aiming to form only one large company. Merger greatly helps to combine and share all resources, skills, talents, and knowledge that eventually increase the wisdom bar within the company. This can further help to combat the competitive challenges existing in the market. The elimination of duplicate departments, possibility of cross selling, reduction of tax liability, and exchange of resources are other big time benefits. This not only helps to cut the extra cost involved in the operation and gain financial gains but also helps to expand across boundaries and enhance credibility. This in the long run help increase revenue and market share, fulfilment of the only desire that drives the growth.

The five periods of high merger activity have taken place in the history of United States (Gauhan, 2007). The first wave started from 1897 and the current wave of larger mega mergers can be traced back from 1992 to till dates.

Table 1: Merger Waves in the History of United States

First Wave	1897-1904	• Occurred after the Depression of 1883. • Peaked between 1898 and 1902 & ended in 1904. • Horizontal combinations and consolidations of several industries.
Second Wave	1916-29	• Oligopolistic industry structure. • Both horizontal and vertical consolidations.
Third Wave	1965-69	• The conglomerate era. • Involving acquisition of companies in different industries.
Fourth Wave	1981-89	• Characterized by hostile merger. • The era of the corporate raider, financed by junk bonds.
Fifth Wave	1992-till dates	• Larger mega mergers. • More activity in Europe and Asia.

(Source: Gauhan, 2007)

Though merger are of various forms like horizontal, vertical, conglomerate, the main concern of management scholars is that what factors that motive to go through merger process. It is normally understood that such factors are: gaining economies of scale to cut the cost, consolidation of capital base, expansion of business to new market, acquiring a new talented workforce, gaining new customer base and technologies are among some of the reasons given by companies for the wave of merger and acquisition (Salame, 2006). According to Appelbanum, et al., (2000), the improvement in the performance after the merger described by the synergy i.e., the "2+2=5" effect is the primary purpose for merging and acquiring new firms. Dugar (2009) stated that after merger and acquisition, the resultant entity should be greater than the sum total of the individual entities i.e., Value (A+B) > Value (A) + Value (B).

Table 2: Merger Motives and Related Theories

Theory	Merger motives
Efficiency theory	Achievement of financial, operational and managerial synergies
Monopoly theory	Limitation of competition through cross-subsidized products
Valuation theory	Exploring of the hidden advantages
Empire-building theory	Manager's personal interest to extend their power
Process theory	Mergers as process outcome
Raider theory	Wealth transfer from target's shareholders
Economic disturbance theory	Merger as macroeconomic phenomenon

(Source: Trautwein, 1989)

According to David (2011), the potential benefits of merging with or acquiring another firm are better utilization of capacity, reduced managerial staffs, economies of scale, gain of tax advantages, gain of companionship. However many forms failed after the merger process completed, indicates that merger is not panacea for business problems. The mostly blamed reasons for the failure of merger are: dissatisfaction of employees because of poor communication from management, clashes of culture among the employees of different organizations, difficulty in integration, and others (Papadakis, 2005).

Job Satisfaction

There is a great deal of stress and anxiety during the merger process, which is similar to death and hence it is essential to adequately address the people issues (Mbundu, 2011). Job security, work autonomy, performance feedback, pay and benefits are some of the important factors for the employees in the merger process which need to be prioritized as human factors to address the people issues. Because merger is the combinations of various circumstances like physiological, environmental and psychological that causes a person to be satisfied or dissatisfied with his/her job (Herzberg, 1987). Among the many factors, most important five facets of job satisfaction are: pay, coworkers, supervision, work and the promotion. Locke (1976) added other facets like: recognition, working condition, management and company (See: Judge & Klinger, 2008). Job satisfaction is one of the extensively researched areas because of its positive association with job performance, organizational commitment as well as life satisfaction. Briefly outlines few theories of job satisfaction.

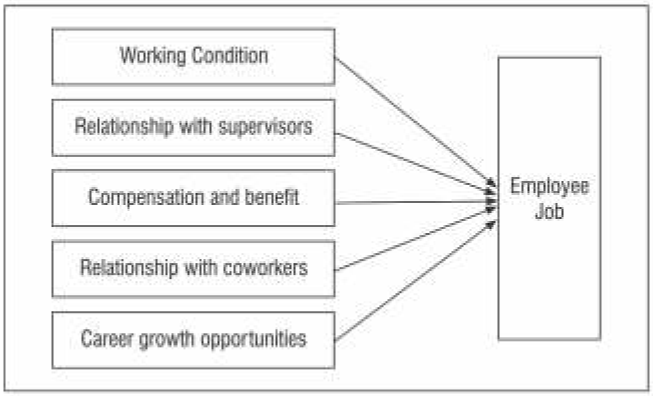
Abraham Maslow's Hierarchy of Needs is one of the best-known theories of motivation. According to Maslow (1954), different hierarchy of needs motivate people to do certain things and to behave in a certain ways. Categorizing human needs into five: Physiological, Safety, Belongingness, Esteem, and Self-actualization, he focused that such needs need to be fulfilled to motivate employees to create different stages of job satisfaction among themselves with their job and organization. Motivators are intrinsic factors like: possibility of growth and advancement, work, recognition, achievement while hygiene factors are extrinsic factors like salary, working condition, job security, factors in personal life, company policy, relation with peers, subordinates, supervisors (Herzberg, 1987). The presence of the motivators creates job satisfaction but the absence of motivators does not create job dissatisfaction. Similarly, hygiene factors cause great dissatisfaction and their absence does not create a high level of satisfaction. Hence inherent level of satisfaction/ dissatisfaction within each factor is the most significant and basic difference between Herzberg's two factors (Myers & Tietjen, 1998). For those managers, who want to understand the job satisfaction and related issues, Herzberg's two-factor theory gives a good frame. They can reduce the job dissatisfaction by eliminating poor hygiene sources and maximize the job satisfaction by enhancing satisfaction factors (Luddy, 2005).

McClelland's (1978) achievement motivation theory is related to management by objectives that focus on the needs for achievement, power and affiliation. High performers perform best when they know that there are 50-50 chances of success and dislike to gamble with high odds, as they are not satisfied from the success that comes by luck or chance. They want to achieve something by giving more effort rather than achieving in an easy way (Robbins, et al., 2012). The equity theory states that an employee will act only when they have a reasonable expectation that their work will lead to a desired outcome. They will be motivated when they believe that their more effort will lead to better job performance, which in turn leads to organizational rewards. Individuals believe that they will get rewards based in proportion to their contribution. Adams (1963) states that a person will be tensed with the sense of inequity and this will motivate him/her to reduce the inequity by various means like: altering his/her own or the referent's inputs and outcomes, leaving the field, cognitively distorting his/her or referent's inputs and outcomes or by choosing another referent (Fadil, et al., 2005). Victor Vroom's (1964) expectancy theory argues that employees will be motivated to work if they believe that their effort will lead to a good performance. This good performance will lead to organizational rewards such as bonuses, promotions, salary increase etc. and these organizational rewards in turn will satisfy the personal goals (Robbins et. al., 2012). According to Hackman and Oldhman (1975), there will be higher level of job satisfaction in that type of jobs that contain intrinsically motivating characteristics. Five core job characteristics that define an intrinsically motivating job are: Task identity, Task significance; Skill Variety; Autonomy; and Feedback. Jobs with these characteristics lead to responsibility for outcomes and meaningfulness of work, which leads to job satisfaction (Judge & Klinger, 2008). Alderfer (1969) developed ERG theory that groups human needs into three categories: existence, relatedness and growth.

Conceptual Framework

Neglecting the human issues pre-, during- and post-merger often leads to the failure of the organization and the merger (Cartwright and Cooper, 2007 ; Salame, 2006). In case of the merger in Nepalese banking industry, the history is not so long. Various national newspapers have widely covered different news regarding the merger, giving focus on its financial effects in the country's economy. Articles of merger experts have been published in different magazines and newspapers, but those articles have not made in-depth analysis of various human resource issues that arises in the merger process. There is dearth of literature and research studies in the area of mergers and its impact on different spare of organizational life. What are the studies did in past, they are having little areas covered based on just fundamental judgment rather than empirical studies. Therefore, it is an attempt to fulfill the gaps related to merger in context of Nepalese banking industry which could be found as systematic research reports and studies. Therefore, considering most significant factors of human issues, this model represents the relationship between factors affecting the employee job satisfaction: Working condition, relationship with supervisors, compensation and benefit, relationship with coworkers and career growth opportunities that have a direct impact on employee satisfaction.

Figure 1 : Conceptual model to study the relationship between factors and job satisfaction.



(Source: Author)

Banking Sector of Nepal

Mergers in the banking sector are common phenomena across the world. Banks prefer mergers to reap the benefits of economies of scale through reduction of costs and maximization of both economic and non-economic benefits. Another important factor is the elimination of competition between the banks. This way considerable amount of funds earlier used for sustaining competition can be channelized to grow the banking business. Sometimes, a bank with a large bad debt portfolio and poor revenue will merge itself with another bank to seek support for survival. However, such types of mergers are accompanied with retrenchment and a drastic change in the organizational structure. Consolidating the business also makes the bank robust enough to sustain in the every-changing business environment. They find it easier to adapt themselves quickly and grow in the domestic and international financial markets. Within current five years from 2008 to 2012, there is the high trend of establishing BFIs in Nepal and reached from 214 to 255 (NRB: 2012) and reduced to 244 when mergers practices are introduced by NRB (NRB, 2015).

The trend of merger of BFIs has increased recently in Nepal. The first merger was between Laxmi bank and Himalayan Saving and Finance Company in 2004. According to NRB, 60 institutions have undergone merger and formed 25 institutions as of March 2015.

Table 3: List of Mergers of Bank and Financial institutions and named after merger

SN	BFIs Before Merger			Named After Merger
1	Machhapuchre bank	Standard finance	-	Machhapuchre bank
2	Global bank	IME Finance	Lord Buddha fin.	Global IME bank
3	Pashupati Dev. bank	Uddhyam bikas bank	-	Axis Dev. bank
4	Butawal finance	Alpic Everest finance	CMB finance	Synergy finance
5	Annapurna Dev. bank	Surya darsan finance	-	Supreme Dev. Bank
6	Himchuli Dev. bank	Birgunj finance	-	H & B Dev. bank
7	Kasthmandap Dev. bank	Sikhar finance	-	Kasthmandap Dev. Bank
8	Vibor Bikash bank	Vajuratna finance	-	Vibor bikash bank
9	Business Dev. Bank	Universal fiance	-	Business universal Dev. Bank
10	NIC bank	Bank of Asia	-	NIC Asia bank
11	Diyalo bikash bank	Professional Dev. bank	-	Professional diyalo bikash bank
12	Global IME Bank	Social Dev. bank	Gulmi bikash bank	Global IME Bank
13	Pravu finance	Baihav finance	Sambridhidev. bank	Pravu bikash bank
14	Royal mer. & bank fin.	Api finance	Rara bikash bank	Apex development bank

15	Araniko Dev. Bank	Surya Dev. Bank	-	Araniko Dev. Bank
16	Manakamana dev. Bank	Yeti fiannce	Valley finanace	Yeti dev. bank
17	Global IME bank	Comz. and Trust Bank	-	Global IME bank
18	Civil Bank	Axis Dev. Bank	Civil mer. fiannce	Civil bank
19	Reliable finance	Nepal cons.dev. Bank	Subhalaxmi fiance	Reliable dev. bank
20	Reliable finance	Lotus inv.finance	-	Reliable finance
21	Imperial finance	Siddhartha fiancé	-	Siddhartha finance
22	Birat laxmi dev. Bank	Khadabari dev. Bank	-	Birat laxmi dev. Bank
23	Lumbini bank	Navadurga fiannce	-	Lumbani bank
24	Bageshwori dev. Bank	Shangrila dev. Bank	-	Shangrila dev. Bank
25	Kist bank	Pravu bikashbank	Gaurishanker dev. Bank and zenith fin.	Pravu bank

(Source: Macroeconomic indicators of Nepal. www.nrb.org.np/red/publica.phb?=economic_bulletin&&vw=5 accessed in March 25, 2015).

Recently, NRB has introduced "Merger Bylaw -2011". Some of the acts that regulate the merger in Nepal are: Bank and Financial Institution Act (BAFIA), 2006, Company Act, 2006, Securities Board of Nepal (SEBON) Act, 2006, Competition, Promotion and Market Protection Act, 2006, NRB Act, 2001, Income Tax Act, 2001, NRB Merger Bylaws, 2011. The objectives of Mergers bylaws, 2011 are: protecting the investors' interest and increasing their confidence on the banking and financial institutions of Nepal by making them disciplined, secured, strong and capable. As per this bylaw, 'A', 'B' or 'C' Class Banking and financial institutions are eligible for the merger amongst themselves while 'D' class financial institutions can only merge with the institutions with the same class.

Research Methodology

The design of this study is descriptive and analytical within a context of quantitative research. A structured questionnaire was used to collect data from respondents. The pattern of questionnaire consisted of two sections: Section one is about the biographical information, and section two is about the information on various factors of job satisfaction and merger developed through literatures based on likert scale. Total 60 banks and financial institutions who have entered into merger process and set forth of 25 institutions after merged and operating in Nepal at the date of 25th January 2015 are the population of this study. From this population of 25 BFIs, only 7 BFIs are considered as sample organizations based on convenient sampling considering organizations which have passed at least 3 years after merger.

Altogether 24 branches of seven sample organization from Kathmandu valley only were chosen for the data collection. In each branch, minimum 10 employees and maximum of 15 employees were distributed the questionnaires. In case of choosing the employees, simple random sampling technique was used so that there would not be bias. Only 169 questionnaires could be collected, overall resulting in a response rate of 70.4%, however only 128 questionnaires were used for data analysis as in some questionnaires, respondents left out most of the questions unattended and some of the responses were from those who joined the organization after the merger. Smith, et al. (1969) developed Job Descriptive Index (JDI) for measuring employee's job satisfaction within organization. JDI measures satisfaction perception for five job facets, namely: promotion, supervision, the work, co-workers and the pay (Luddy, 2005). Minnesota Satisfaction Questionnaire (MSQ), which is also one of the most widely researched and utilized measures of job satisfaction, to measure the employee's job satisfaction. Therefore, while designing the questionnaire for data collection for this study has referred to these two instrumentations of JDI and MSQ. For statistical analysis of data, SPSS was used. The data analysis made use of both descriptive as well as inferential statistics.

Analysis and Discussion

Altogether 86 from merging entity and 42 from merged entity respondents filled the data from which male respondents were 55.5% and female respondent were 44.5%, indicates good mix of gender of respondents.

Table 4: General Characteristics of the Respondents

	Variable	% of respondents (n=128)
Gender	Male Female	55.5 44.5
Marital Status	Single Married	27.3 72.7
Age	30 years and less 30 - 40 years 41 - 50 years 51 years and above	50.8 42.2 5.5 1.6
Respondents from:	Merging company Merged company	67 33
Annual salary	Below NRs. 50,000 Nrs. 50,000 to1 Lakh Nrs. 1 Lakh – 3 Lakhs Above NRs. 3 Lakhs	5 79 10 6
Designation after the merger	Subordinate level Assistant level Officer level Manager level Executive level	3 46 34 15.6 .8

(Source: Primary data)

Working Condition

From the result of an independent sample t-test used for comparing the mean values of the working condition between the merging entity and the merged entity, the mean value for merging entity is found to be 3.57, which is greater than that of the merged. The p-value of .002 (< .05) shows that there is significant difference between the two means, which indicates that there is significant relationship between the employees' satisfaction with working condition after the merger and the company they worked before the merger.

Table 5: Result of t-test to compare the mean values of the working condition after merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Working condition after merger	3.57	3.20	.62	.62	3.12	.002

(Source: Primary data)

A Pearson product-moment correlation was run to determine the relationship between satisfaction with overall job and working condition after the merger. It shows a positive correlation between satisfaction with overall job and working condition after the merger was found, which was statistically significant (r = .481, n = 127, p< .01). The reason for this might be that the working environment of the organization gets changed after the merger as there is the change in management team, various policies might get changed and introduced, employees have to work with new employees of different organizations who they are not acquainted with and various other changes. According to the Reinforcement theory propounded by B.F. Skinner, with properly developed working environment, individuals can be actually motivated.

Relationship with Supervisors

The result of the t-test used for comparing the mean values of relationship with supervisors between the merging entity and the merged entity, the mean value for merging entity is found to be 3.65, which is greater than that of the merged entity. The p-value of .028 (< .05) shows that there is significant difference between the company the employees worked before the merger and their satisfaction with relationship with supervisors after the merger.

Table 6: Result of t-test to compare the mean values of the relationship with supervisors after the merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Relationship with Supervisor after merger	3.65	3.36	.69	.70	2.22	.028

(Source: Primary data)

A Pearson product-moment correlation shows a positive correlation between satisfaction with overall job and relationship with supervisors after the merger, which was statistically significant (r = .465, n = 126, p< .01).A positive correlation was found between satisfaction with overall job and relationship with supervisors after merger. According to Mohibullah (2009), after the merger, appointment of new supervisors and loss of close team members can lead to an ambiguous situation which might cause employees' dissatisfaction with the job. The scenario of 'us versus them' could develop, which could build up worries if employees have to deal with new supervisors and new team members (Mirvis and Marks, 1992). Hence we can say that if harmonious relationship can be built up among supervisors and the employees after merger then latter would be satisfied with their job.

Compensation and Benefit

While comparing the mean values of compensation and benefit between the merging entity and the merged entity, the mean value for merging entity is found to be 3.27, which is greater than that of the merged entity. The p-value of .076 (>.05) shows that there is no significant difference between the two means, which indicates that there is no significant difference between the company the employees worked before the merger and their satisfaction with compensation and benefit they receive after the merger.

Table 7: Result of t-test to compare the mean values of compensation and benefit after the merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Compensation and benefit after merger	3.27	3.03	.70	.60	1.78	.076

(Source: Primary data)

A Pearson product-moment correlation was run to determine the relationship between satisfaction with overall job and compensation and benefit after the merger that shows a positive correlation between satisfaction with overall job and compensation and benefit after the merger, which was statistically significant ($r = .412$, $n = 124$, $p < .01$). The result of t-test shown shows that there is no significant difference between the companies the employees worked before the merger and their satisfaction with compensation and benefit after the merger. According to NRB directives, the salary and other facilities that an employee was getting before the merger cannot be deducted in anyways after the merger. In some merged institutions the salary structure was revised and increased for all staffs immediately after the merger. This was management's strategy to keep the employees satisfied and make them cope with the merger easily. This might be the reason that there is no significant difference between the company the employees worked before the merger and their satisfaction with compensation and benefit after the merger.

Relationship with Co-workers

The sample t-test mean values of relationship with colleagues between the merging entity and the merged entity is found to be 3.81, which is greater than that of the merged entity. The p-value of .152 (> .05) shows that there is no significant difference between the two means, which indicates that there is no significant difference between the company the employees worked before the merger and their satisfaction with the relationship with the colleagues after the merger.

Table 8: Result of t-test to compare the mean values of relationship with coworkers after the merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Relationship with coworkers after merger	3.81	3.60	.67	.85	1.45	.152

(Source: Primary data)

A Pearson product-moment correlation was run to determine the relationship between satisfaction with overall job and relationship with colleagues after the merger, shows a positive correlation between satisfaction with overall job and relationship with supervisors after the merger, which was statistically significant ($r = .442$, $n = 127$, $p < .01$). From the t-test result there is no significant relationship between the company the employees worked before the merger and their satisfaction with the relationship with the colleagues after the merger. Though there are many fears among the employees after the merger, several hopes like: opportunities for growth and advancement, meeting new people and learning from them, forming new work relationship etc. offsets them. The employees are more dependent on each other rather than self-sufficient during the transient period of the merger (Appelbaum et al. 2000). From the result we got and discussion done so far, we can say that in merger of different BFIs in Nepalese banking industry, there have been integration of employees of former organization. According to Harmer & Findlay (2005), employees of age 25 to 35 years are in need of more social support at work and the social connectedness and activity is crucial for their physical, mental and spiritual health. Our result also shows that there is a positive correlation between satisfaction with overall job and relationship with co-workers after the merger which emphasizes that the friendlier is the workplace environment and the relationship with co-workers, the more satisfied the employees will be after the merger.

Career Growth Opportunities

The comparison of the mean values of career growth opportunities between the merging entity and the merged entity, the mean value for merging entity is found to be 3.63, which is greater than that of the merged entity. The p-value of .008 (< .05) shows that there is significant difference between the two means, which indicates that there is significant difference between the company the employees worked before the merger and their satisfaction with career growth opportunities after the merger.

Table 9: Result of t-test to compare the mean values of career growth opportunities after the merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Career growth opportunities after merger	3.63	3.26	.73	.69	2.89	.008

(Source: Primary data)

A Pearson product-moment correlation was run to determine the relationship between satisfaction with overall job and career growth opportunities after the merger shows a positive correlation between satisfaction with overall job and career growth opportunities after the merger, which was statistically significant ($r = .594, n = 127, p < .01$).

The result shows that there is significant relationship between the company the employees worked before the merger and their satisfaction with career growth opportunities after the merger. Employees are being more career conscious than ever and are demanding more in terms of personal growth and development. Organization, which cannot meet the individual needs, might be in verse of loosing valued employees. In case of merger, where two organizations and different employees come together in same front, it will cause more confusion among them about their hierarchy in the organization and the possibilities for their career growth. Most of the employees of the merged company felt that the employees of the merging company would get more career growth opportunities than them. From this fear, many of their colleagues even left the job. This might be the cause to get a significant relationship between the company the employees worked before the merger and their satisfaction with career growth opportunities after the merger. Researches by different groups of researchers have found a positive significant relationship between opportunities for promotion and job satisfaction. Employees, who perceive promotion decisions as fair, are more likely to be committed to the organization, experience career satisfaction, perform better and subsequently have a lower intention to leave the organization. From our result also, we found a positive correlation between satisfaction with overall job and career growth opportunities after the merger. We can say that better the opportunities for career growth and development got by an employee after the merger, the more satisfied he/she will be with his/her job.

Relation between Satisfaction with Job after Merger and before the Merger

From the result of an independent sample t-test used for comparing the mean values of satisfaction with job after merger between the merging entity and the merged entity, the mean value for merging entity is found to be 3.58 and 3.31 for merging entity. The p-value of .015 (< .05) shows that there is significant difference between the two means, which indicates that there is significant difference between the company the employees worked before the merger and their satisfaction with job after the merger.

Table 10: Result of t-test to compare the mean values of satisfaction with job after the merger between the merging entity and merged entity

	Mean		S.D.			
	Merging entity	Merged entity	Mergin gentity	Merge dentity	t value	p value
Satisfaction with job after merger	3.58	3.31	.56	.54	2.46	.015

(Source: Primary data)

From this we found that there is significant difference between the company the employees worked before the merger and their satisfaction with job after the merger. From this, we can say that employees are not satisfied with the merger and they have not accepted the need of merger for the growth and expansion of the organization. From the results and discussions done so far, merger does not seem to be so much successful and employees are not so much satisfied with their job after the merger.

A Pearson product-moment correlation was run to determine the relationship between the satisfaction with overall merger and tools, techniques and training provided to adjust to the changes after the merger, shows a positive correlation between overall merger and tools, techniques and training provided to adjust to the changes after the merger, which was statistically significant ($r = .397, n = 127, p < .01$).

Table 11: Correlation between satisfaction with overall job and tools, techniques and training provided to adjust to the changes after the merger

		Tools, techniques and training provided to adjust to the changes after the merger
Satisfaction with overall merger	Pearson Correlation	.394**
	Sig. (2-tailed)	.000
	N	127

Note. ** Correlation is significant at the level of 0.01 (2-tailed).

A Pearson product-moment correlation was run to determine the relationship between satisfaction with overall merger and level of communication on the matters of the merger to adjust to the changes after the merger, shows a positive correlation between satisfaction with overall merger and tools, techniques and training provided to adjust to the changes after the merger, which was statistically significant ($r = .429, n = 127, p < .01$).

Table 12: Correlation between the satisfaction with overall job and communication on the matters of the merger to adjust to the changes after the merger

		Level of communication on the matters of the merger to adjust to the changes after the merger
Satisfaction with overall merger	Pearson Correlation	.429**
	Sig. (2-tailed)	.000
	N	127

Note. ** Correlation is significant at the level of 0.01(2-tailed).

From the result it is found that there is a positive correlation between the satisfaction with overall job and: tools, techniques and training provided to adjust to the changes after the merger and communication on the matters of the merger to adjust to the changes after the merger. For employees to be satisfied with the merger, management should provide them with clear, consistent and timely information so that there will be no ambiguity. Management should also provide them with the necessary trainings regarding new changes and diversity that will occur in the organization after merger. It is found a positive correlation between satisfaction with overall job and level of communication on the matters of the merger to adjust to the changes after the merger. After merger, employees of different companies have to work together and come to a common work setting and environment. For this, they have to adjust with different changes like: change in management, policies, tools and software used and many more. In order to adjust the employees to the changes and diversity after the merger, different trainings should be provided. This will give employees a sense of relief and it will be easier for them to cope up with the changes. According the Schweiger (1991), if management fails to communicate pre-, during and post- merger, great uncertainty about their future will significantly increase employees' anxiety, stress and tension. They will start to rely on other informal communications, which are not an effective means. Hence with proper communication from management, employees' satisfaction with their job after the merger can be increased.

Conclusion

It is found that a significant difference between the company the employees worked before the merger and: working condition, relationship with supervisors and career growth opportunities after the merger. The discrimination attitude of the employees caused because of the dominance of the employees of the merging company over the merged company could be the reason behind this finding. But for the factors: compensation and benefit and relation with co-workers, no significant difference was found between the companies the employees worked before the merger. As the salary and other benefits, which an employee was getting before the merger cannot be reduced in anyways after the merger; there was not any deduction in salary of the employees. Some BFIs even restructured and increased the salary structure. This must have resulted in no significant differences between the companies the employees worked before the merger and their satisfaction with compensation and benefit after the merger.

From the correlation test, we observed a positive correlation between the employees' job satisfaction and: working condition, relationship with supervisors, compensation and benefit, relationship with co-workers and career growth opportunities which are the major issues of HR after the merger as expressed by Schuler and Jackson (2001). Similarly, positive correlation was found between the satisfaction with overall job after the merger and the management's initiations to adjust the employees to the changes after the merger like: tools, techniques and trainings provided and communication on matters of the merger. During merger, employees of the both former organizations are in chaos, anxiety, tension and stress; they are all in similar emotional state. As discussed earlier, people of age group 25 to 35 years need more socialization in the work place and during the period of merger, employees are more independent rather than self-sufficient. This must have resulted in no significant difference between the company the employees worked before the merger and their satisfaction with the relationship with co-workers after the merger. A significant difference was found between the employees' satisfaction with job after the merger and the companies they worked before the merger. This is because the employees are not satisfied with every factor that leads to the job satisfaction. As discussed earlier, a significant relationship was found between the factors: working condition, relationship with supervisors, career advancement opportunities and the company they worked before the merger.

Management should provide the employees with various training in order to adjust them to the changes after the merger as well as they should provide timely, clear and consistent information during merger. It was found that most of the employees were neutral with the steps taken by management to adjust them to the changes after the merger, which shows that those steps were not satisfactory. A positive correlation was found between the satisfaction with job after the merger and: working condition, relationship with supervisors, compensation and benefit, relationship with co-workers and career growth opportunities. These all are the major factors that lead to either employee satisfaction or dissatisfaction with their job. Hence in order to make employees satisfied after the merger, all these factors should be given priority. Management should focus on creating a harmonious working environment by helping in integration among the employees, creating a good supervisor-employee relationship, developing an attractive compensation and benefit package, providing trainings and development for their career advancement opportunities.

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A Study of HR Practices of IT Companies

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Binita Shah : PhD scholar, School of Management, RK University & Academic Associate, IIM Ahmedabad, Gujarat. Email: binitashah9@yahoo.com
Dr S. Chinnam Reddy : Dean, Faculty of Management, Marwadi Education Foundation, Rajkot, Gujarat. Email: screddy07@gmail.com

Abstract

The human resources of an organisation are widely considered as the differentiator for organizations which seek to meet and overcome the challenges of a fast paced world. The way in which an organisation deals with its people is important especially for the service sector as the results of the company would be immensely influenced by the performance of the people it employs. The IT industry contributes substantially to the GDP of the country and employs a large number of people whose abilities provide the competitive edge for organizations. This is especially relevant for industry leading organizations as the practices they have would be considered carefully by the rest of the firms in that sector. The current paper considers the gamut of HR practices of three market leaders of the IT sector, which are Infosys, TCS and Wipro for a year and compares them so as to glean insights as to how they perceive and manage their people.

Key words: IT company, HR practice, employees

Introduction

The IT sector is crucial from an economic perspective considering its substantial contribution and its employment potential especially for the educated youth of the country. The country is among the leading providers of software services to the world and is renowned for it. The management of these resources and all aspects that pertain to it should thus be considered carefully. The leading IT companies are large employers and a study of their HR systems would provide insights regarding the prevailing practices of the industry. HR costs are a substantial portion of the total expenses of these companies and their profitability is affected by their ability to manage them. Moreover, considering that the services of these companies are dependent upon their people, the policies and practices that they have towards their personnel would determine the ability of these companies to effectively compete domestically and internationally with their peers. The present paper considers the entirety of these practices from the stated positions of these companies and their hiring practices to the size and composition of their workforces as well as the ways which the companies deal with their employees such as opportunities for training and development and their retention practices. The leading IT companies Infosys, TCS and Wipro are considered so as to examine their approach regarding these matters.

Literature review

Rao & Salunkhe (2013) have emphasized the changing nature of the tasks of HR personnel and the complications for people who handle human resources. Schuler & Jackson (2005) have considered changes concerning the management of human resources as practiced in the USA over a period. They have discussed aspects pertaining to strategic and International HRM. Chermack, Lynham & Ruona (2003) have discussed the developments pertaining to various subjects that could affect HRM. They have considered the developments that are most indeterminate and could affect HRM and have discussed them. Ulrich, Younger & Brockbank (2008) have mentioned how HR should function and have considered that it should be structured as per the firm within which it works.

There are many trends which have been specifically considered regarding the Indian context also. Som (2006) has discussed the ways by which a variety of Indian firms have prepared for a post liberalization scenario which has increased competition through the deployment of new human resource systems so as to be able to cope with the changed situation.

Several authors have considered HR practices with reference to firm performance. Sikyr (2013) has associated the best practices of HRM with performance and competitiveness though their utilisation is affected by the prevailing atmosphere. The author has suggested that the best systems of HRM should be utilised so as to get desired results. Ferguson & Reio (2010) have associated abilities, motivation and human resource practices with performance. They have mentioned that organisational results can be affected by firm policies that encourage motivation and learning and development. Lam & White (1998) have discussed the strategic characteristic that human resource has with hiring and reward systems. According to their study good organizational results are associated with firms which have robust human resource orientations.

The Indian scenario also has several illustrations. Singh (2011) has discussed the influence of human resource practices and the culture of the organisation upon the efficacy of managers. As per his study, career management and self realisation were important determinants of the effectiveness of managers irrespective of the nature of the organisation, that is, public or private. The career management was important while considering private sector organizations while training and development was most pertinent for public sector organizations. Chanda, Bansal & Chanda (2010) have considered hiring activities and the way they affect the results of domestic firms. They have associated hiring activities with strategy making and have found that these are associated with good performance metrics.

There are several authors who have considered these practices from different places. Budhwar & Khatri (2001) have analysed the HR practices between different British and Indian organizations and studied the differences between them. They have considered various practices regarding hiring, rewarding, training and development and communication and the influence of several variables regarding these. According to the authors there are important differences in the ways that the various variables affect HR practices between these countries. They have emphasized the importance of specific situations or environment while analysing the HR practices of different places. Lawler, Jain, Ratnam & Atmiyanandana (1995) have contrasted the HR practices of Indian and Thai firms and have mentioned the variances and commonalities among them. They have discussed the differences among HR practices between these countries.

Som (2010) has considered HR practices from a firm specific perspective over a period and the changing role of HR with the variations that the organisation went through. He has argued that HR must ensure requisite ways to perform as per the needs of the organisation and the situations.

There have also been works by several authors regarding the IT processing industry. Sachdeva, Mittal & Solanki (2009) have described the human resource practices with reference to the Indian KPOs. They have discussed the practices which are widespread and those that are not regarding the Industry. Budhwar, Varma, Singh & Dhar (2006) have considered aspects regarding human resources of Indian call centres. Their study also mentioned the reasons for the growing attrition of the industry. They have considered the HR practices prevalent in the Indian BPO sector and have mentioned that the importance regarding the professional growth of employees given by the domestic companies is slightly less as compared with their Western contemporaries.

It is also necessary to consider specific cases of the IT industry. Thite (2012) has taken the case of an IT firm and illustrated the different aspects of its HR practices. Adhikari (2009) has discussed aspects which affect attrition with reference to the IT and ITES industry. According to him the worth of the task and the conduct of the management have a higher impact than the rewards offered. James & Mathew (2012) have discussed the varied techniques that domestic IT companies deploy to ensure that concerns regarding employee turnover are mitigated and the perceptions regarding such strategies.

Objectives of the study

- To study the HR practices of leading IT companies regarding people management from talent attraction to development and retention
- To compare these practices with regard to the companies selected for the purpose
- To derive insights regarding the efficacy of these practices pertaining to the sector

Research Methodology

- **Scope**

The study covered three leading IT companies Infosys, TCS and Wipro with the assumption that they who would be representative of the practices of the IT sector. The period considered was one year, that is, the financial year 2013-14. It was felt that such a period would be representative of the HR practices of the IT sector as such and the companies considered per se.

- **Sources of data**

The data was collected from the annual reports of Infosys, TCS and Wipro for the financial year 2013-14 so as to ensure comparability through the companies. Thus the secondary data was the main source of data.

- **Sampling technique**

Infosys, TCS and Wipro were selected as representatives of the IT sector for a detailed study of HR practices. These companies were selected from the BSE Sensex as leaders of the software services sector.

As per the NASSCOM rankings of top players of IT services, for 2013-14, TCS, Infosys and Wipro were the topmost among the firms considered.

The HR practices of these firms were considered as representative of the best possible practices of the IT sector.

Analysis and interpretation

1. Policy statements by companies

Infosys

As per the stated official position of the Infosys, the company largely had young employees and the finance tasks included developing abilities. The company asserted that it had given several promotions and increased wages through the year. Employee costs constitute a substantial portion of the expenditure and considering their importance the company took several steps to ensure their reduction. These included rationalizing certain tasks for operating cost reduction, managing the deployment of people by means of the talent supply chain, efficiency improvements, overhead reduction and enhancing the proportion of offshore tasks.

Getting and holding appropriate people were among the many competitive elements the firm had and it felt that its ability to go ahead was affected by its abilities regarding the employees. The company felt that its standing enabled it to get talent.

TCS

The company mentioned that its abilities were developed through an amalgamation of lengthy associations with customers and persons and technology investments. The company believed that its human resources approach helped it to draw and keep talented people for its progress. It tried to have 'one TCS' culture so as to assimilate its international workforce. It mentioned that its efforts regarding human resources were an enabling factor.

As per the business responsibility report, among the many means the company had of showing sustainability included ethical governance, observance of human rights and advancement of employee welfare and safety.

Wipro

The company stated that it had structures which were country specific and had functions accordingly. It felt that it was considered by customers as per its personnel and thus tried to obtain the most appropriate employees for its clients. It had a competency based methodology for choosing people and encouraged efficacy with regard to handling person. Its corporate governance report detailed its central values. As per the business responsibility report, the company considered its personnel as among its stakeholders.

During the year considered the company emphasized particular areas which were crucial to it among which was managerial efficacy. The company had brought forth a set of Tenets that were shaped by its values so as to enable routine decision making. It mentioned that it considered International and domestic standards while making its plans. Its country specific policies were as per the National Voluntary Guidelines and it had an Ombuds process that enabled its employees.

2. Talent acquisition

Infosys

The company got 911220 applications, interviewed 45955 and made offers to 33225 people during the year. Infosys Limited increased its tally by 24517 (gross) while the Group did so by 39985 (gross). The company and the group hired 801 and 3717 people (net) respectively. Infosys relied upon its standing as leader and culture to attract people. Domestically it recruited high achievers from leading educational institutes and internationally from the US, the UK, Australia and China. It bases its selection upon a stringent procedure. It also determined a means to obtain talent as per performance and ability with the objective to ensure adequate talent supply for its tasks.

TCS

TCS made offers to 24859 engineering and 575 management students during the year and hired 61200 people (gross, including 1263 from clients) and 24268 (net). Domestically it hired from engineering and management institutes and internationally from USA, Canada, China, Uruguay and Hungary. During the year considered, the company overhauled its recruitment systems for ensuring efficiency such as social media for lateral acquisition of people. It also had several activities such as academic interface programmes, supporting researchers, establishment of IITs and academic discussion events.

Wipro

The company claimed that it has consistent hiring policies. It associates with educational organizations as per its need. It hires through Wipro careers and internal postings, referrals of current personnel, campuses and industry, channel associates, fairs and multimedia. It gets local talent through near shore development centres as well as educational institutes from US and Europe. The company believed that its situation as a leader and technology and training emphasis enabled it to keep talent.

3. Size of operations

Infosys

Infosys had 160405 (consolidated) employees on 31 March, 2014 which represented a 2.37% increase over the previous year. Thus the yearly growth regarding the number of employees showed a reducing trend

Table 1: Number of employees

Year	Stated number of employees	Increase over earlier year (Percent)
2010	113796	
2011	130820	14.96
2012	149994	14.66
2013	156688	4.46
2014	160405	2.37

(Source: www.infosys.com)

The employee strength (FY 2014) included 151059 software and business process management professionals and trainees. The attrition rate of the company increased and reached 18.7% from 16.3% for the previous year.

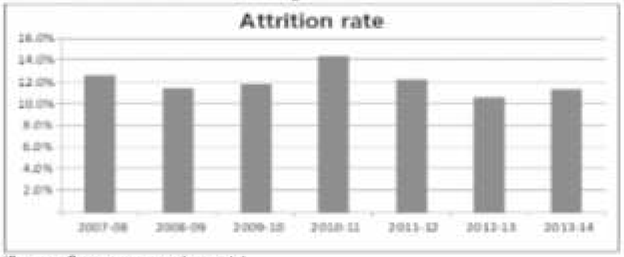
The Infosys employee base was drawn from 98 countries and was determined as per locational applicability. Most of these, that is, almost ninety percent were domestic while the rest were from APAC (3.44%), EMEA (3.12%) and Americas (3.60%) The year wise trend from 2012 showed some fluctuations with the most percentage wise increase in the EMEA (from 1.93% of the employees in 2012 reaching 3.12% of the total employees in 2014). Women constituted around a third (34.4%) of the workforce. Infosys claimed that it provided equivalent and merit based opportunities for its people.

TCS

TCS had 300464 (consolidated) employees on 31 March, 2014. It took more than 50000 new people during the year. The employees were drawn from 118 and were employed through 55 countries.

It was able to achieve an attrition rate of 11.3% during the year considered and claims that it has among the highest retention rates comparatively as a result of several initiatives

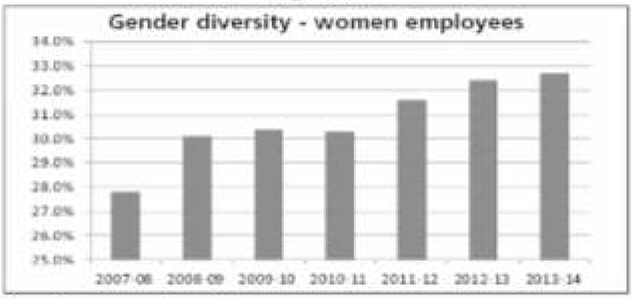
Figure 1



(Source: Company annual reports)

It employed 98122 women and 575 differently-abled people. Women were around one third (32.7%) of the employee base. The proportion of Gen Yers increased from 73 percent to reach 80 percent during the year considered with an average employee age of 29 years. The organisation took several initiatives to encourage the participation of women such as executive education programmes, discussions, enabling integration and several benefits.

Figure 2



(Source Company annual reports)

The organisation also tried to include differently abled people by having a centre for enabling activities.

Wipro

Wipro had 133425 employees (March 2014) which included people from 101 countries and spread through 59 countries. Employees of Wipro Technologies (66.07%) constituted the bulk of these. Of the non-domestically located employees 40% of those were residents of that place. It had 159000 people considering permanent and non core personnel

The attrition rate for permanent employees for the year was 15.4%. Most of its employees (61.7%) were between the age of twenty and thirty and 29.4% were between 30 to 40 years while the average age was 30 years.

The organisation was an equal opportunity employer and had a Diversity and Inclusion program. Wipro had almost a third (30.7%) of its employee base as women. It showed an increasing trend (from 30.0% in March 2012 and 28.4% in March 2011). It had a gender equity program, mentoring for women and several initiatives for enabling its women employees.

It also had a program for differently-abled people since five years and had 455 such personnel (March 2014). The organisation also provided technological and infrastructural support for enabling such employees.

4. Structure and organizational changes

Infosys

The company took several steps during the year for reorganizing towards meeting its goals. There were changes made to the top management structure. It took to a two president structure with requisite portfolio readjustments and the Executive council was not there from April 1 2014. Sales and delivery functions were associated with operating segments. There were several structural changes that were also made through the organization pertaining to the compensation, advancement, assignments, facilitating sales people and encouraging performance

TCS

During the year the organisation began reconsidering its human resource procedures and tried to enhance efficiency through technology.

Wipro

The main businesses of Wipro were IT services and IT products and there was a restructuring of the IT services business so as to go by industry norms for matters pertaining to performance and reporting characteristics. The governance and management structure of the organisation mentioned strategic and operational planning and reviews and with reference to people considering aspects that pertain learning and enabling them.

Table 2

Governance and Management Architecture at Wipro				
Strategic Planning	Operational Planning		Regular reviews by Board and CEC	
PEPOLE	Continuous learning	Empowered workplace	Leadership development	Diversity & Inclusivity
POLICIES	People	Environment Health, Safety	Information Security	Procurement
PROCESSES	Talent Supply Chain	Global Delivery Model	Wividus Backoffice	Continuous Internal Audit
Governance • Enterprise Risk Management • COBC • Ombuds-process • Board governance • Internal Audits	Practices • Innovation • Quality • Customer Advocacy • Global Transformation • Knowledge Management • Business Process Mgmt.		Sustainability • Resource & Cost Efficiency • Ecological footprint reduction • Education & Community • Transparent disclosures	

(Source Company annual reports)

5. Compensation

Infosys

The company claimed to have a performance based compensation system which considered organizational and person specific perspectives. It had performance enabling techniques with specified employee objectives and regular appraisals.

The employee costs of the company pertained to salaries, contributions and staff welfare. The company claimed that the salary costs increased due to escalation of compensation. The increase was 22.17% standalone and 27.77% consolidated compared with the previous year. Employee benefit expenses as percent of total expenses were 73.98% (standalone) and 75.73% (consolidated)

TCS

The company claimed to have a culture which was performance based and with chances for its personnel to attain goals. It tried cost management procedures towards enhancing productivity of its people.

The employee costs of the company pertained to salaries, contributions and staff welfare. The salary increase was 25.67% (standalone) and 24.21% consolidated compared with the previous year. Employee benefit expenses as a percent of total expenses were 48.52% (standalone) and 51.44% (consolidated).

Wipro

The company claimed that it tried to provide multiple alternatives regarding compensation. Wipro had a stock purchase plan from 1984 and subsequent stock option plans. It associated performance with compensation through the individual and segmental incentives.

The employee costs of the company pertain to salaries, contributions, share based compensation and staff welfare. The company claimed that its costs increased due to escalation of compensation which was because of rupee depreciation and hikes of salary and number of employees. The increase was 15.30% standalone and 14.94% consolidated compared with the previous year. Employee benefit expenses as percent of total expenses were 59.61% (standalone) and 58.70% (consolidated).

6. Learning and development

Infosys

The company emphasized the improvement of abilities and began new initiatives to work towards its strategic objectives.

It had a department for providing training and also enables training for preparing its personnel through the organization. The company provided training worth more than 2.13 million person days to its employees during the year. The average training days were associates (25), middle (4.4), senior (2.74) and top management (0.49) (Not considering specific programs for top leaders). It had an award winning knowledge management system. Infosys also had an institute for encouraging leadership. It had a program for recognizing achievers and encouraging their rapid growth within the organization.

TCS

The organization had programmes for encouraging the abilities of its employees. It enabled its personnel by offering them chances for the development of their abilities, stimulating work and advising them.

During the year the company emphasized need based ability improvement by encouraging learning not constrained by period or place through 'Anytime, Anywhere Learning'. It also enabled cultural training and began the process of establishing a learning center during the year. It had a program for ascertaining and encouraging leaders and a platform pertaining to employee career management.

Wipro

The company offered chances to its employees for improving their careers. It offered employees the chance to pursue learning irrespective of period or location. The steps taken include certifications for development of technical abilities, improvement of abilities of people before they join the organization, programs for specialists and proficiency development of middle managers. The company enabled its employees to enhance their soft, technical, domain and leadership abilities. During the year Wipro provided more than 23000 technical, behavioural and leadership programs to its people. It also had several programs during the year pertaining to aspects including mentoring and career platforms for its employees.

7. Activities and work life balance

Infosys

The company offered its employees several opportunities for communicating such as meetings with the higher echelons of management, campus events and conveying organizational matters to them through multiple means. It conducts yearly surveys to understand employee perceptions for further analysis and reporting. The organisation provided opportunites to its employees to enable them express their grievances and respond to them. Infosys had several resource groups to encourage diversity and employee assimilation. The organisation tried to understand the needs of its employees and had several policies for enabling work life balance such as sabbaticals, flexible working hours and work options.

TCS

The organization encouraged communication among its employees. As the company personnel were widely distributed the company provided structures to enable them to communicate and associate with one another. TCS has an annual employee satisfaction survey for ascertaining the needs of its people and so as to bring forth suitable mediations. The company had an employee association recognized by management and 0.05% of its employees were its members. There were mechanisms by which employees could express their opinions and their grievances for consideration by the concerened people. There were also several means for handling employee relevant matters and enabling person specific advise with seniors. The company had a platform for enabling employees to pursue interests and diverse activities that were not associated with their routine work such as those which pertained to several events,voluntary work and cultural activities.

Wipro

The organisation had an employee advocacy representative group whose members were employees for making suggestions for improvement pertaining to areas such as procedures and policies. The organization had company, business level and specific platforms. The company had an index that pertained to these matters so as to improve effectiveness of first and middle level managers. It had a support centre for employee queries pertaining to HR, payroll and transportation. The company conducts a survey to determine employee perceptions every two years to ascertain areas for improvement. A few of its employees were part of trade unions and councils. The company had mechanismsfor enabling employees to express their grievances. Wipro had a diversity and inclusion program which enabled employees to balance their lives.

8. Safety and quality

Infosys

The company tried to improve its safety practices through the period considered. They had a system for managing health, safety and environment. The steps taken include determination of risks and attempts to alleviate them, encouraging safety aspects through committees, reporting and training and a program for understanding and improvement of health matters.

TCS

The company considered the health, safety and overall welfare of its employees. It regularly conducted meetings for these objectives. It had programmes for assisting employees regarding stress management and offers counselling. It took steps for encouraging alertness towards safety especially regarding women. It also provided employees training for health and safety. As per the company during the year more than

360000 man-hours of training through multiple means were given for these purposes.

Wipro

The company emphasized safety of its employees with improvements regarding several aspects. During the year it had several programs for these objectives such as assistance for counselling, training, healthcare and also matters pertaining to the safety of employees including women.

Table 3: Comparative chart of companies

Parameter	Infosys	TCS	Wipro
Policy statements by companies	Largely had young employees, tried reduction of employee costs Getting and holding appropriate people among its many competitive elements	Abilities developed through an amalgamation of lengthy associations with customers, persons and technology investments, ts human resources approach helped it to draw and keep talented people, Tried to have a 'oneTCS' culture.	Tried to obtain the most appropriate employees for its clients, Had a competency based methodology for choosing people, Considered its personnel as among its stakeholders
Talent acquisition	It relied upon its standing as leader and culture to attract peopleIt recruited high achievers from leading educational institutes and internationally from the US, the UK, Australia and China.	It overhauled its recruitment systems for ensuring efficiency Domestically it hired from engineering and management institutes and internationally from USA, Canada, China, Uruguay and Hungary.	It believed that its situation as a leader and technology and training emphasis enabled it to keep talent Association with educational organizations as per its need, local talent through near shore development centres as well as educational institutes from US and Europe.
Size of operations	It had 160405 (consolidated) employees on 31 March, 2014, employee base was drawn from 98 countries . The attrition rate reached 18.7% . Women constituted around a third (34.4%) of the workforce.	It had 300464 (consolidated) employees on 31 March, 2014, employees were drawn from 118 and were employed through 55 countries It was able to achieve an attrition rate of 11.3% during the year Women were around one third (32.7%) of the employee base.	It had 133425 employees on March 2014 which included people from 101 countries and spread through 59 countries. The attrition rate for permanent employees for the year was 15.4% Women were almost a third (30.7%) of its employee base.
Structure and organizational changes	It made changes to the top management structure, also made structural changes also through the organization.	It began reconsidering its human resource procedures.	Its main businesses were IT services and IT products and there was a restructuring of the IT services business.
Compensation	It claimed to have a performance based compensation system which considered organizational and person specific perspectives The employee costs of the company pertained to salaries, contributions and staff welfare.	It claimed to have a culture which was performance based. The employee costs of the company pertained to salaries, contributions and staff welfare.	It associated performance with compensation through the individual and segmental incentives. The employee costs of the company pertain to salaries, contributions, share based compensation and staff welfare.
Learning and development	It had a program for recognizing achievers and encouraging their rapid growth within the organization Had an institute for encouraging leadership.	It emphasized need based ability improvement by encouraging learning not constrained by period or place through 'Anytime, Anywhere Learning' Had a program for ascertaining and encouraging leaders and a platform pertaining to employee career management.	Several programs during the year pertaining to aspects including mentoring and career platforms for its employees It offered employees the chance to pursue learning irrespective of period or location Provided more than 23000 technical, behavioural and leadership programs to its people.
Activities and work life balance	It conducts yearly surveys to understand employee perceptions for further analysis and reporting. It provided opportunites to its employees to enable them express their grievances and respond to them It had several resource groups to encourage diversity and employee assimilation, had several policies for enabling work life balance.	It has an annual employee satisfaction survey for ascertaining the needs of its people and so as to bring forth suitable mediations. It had mechanisms by which employees could express their opinions and their grievances. It had a platform for enabling employees to pursue interests not associated with routine work.	It conducts a survey to determine employee perceptions every two years to ascertain areas for improvement. It had mechanisms for enabling employees to express their grievances. It had a diversity and inclusion program.

Safety and quality	It tried to improve its safety practices through the period considered, had a system for managing health, safety and environment The steps taken include determination of risks and attempts to alleviate them, encouraging safety aspects through committees, reporting and training and a program for understanding and improvement of health matters.	It considered the health, safety and overall welfare of its employees. It had programmes for assisting employees regarding stress management, steps for encouraging alertness towards safety especially regarding women, training for health and safety.	It emphasized safety of its employees. Several programs such as assistance for counselling, training, healthcare and safety of employees including women.

(Source: Compiled by author based on Company's Annual Reports)

Limitations of the Study

The paper relies upon secondary data and these are not corroborated with further sources of information. The stated position of the companies as per their annual reports is considered and it is not vetted with alternative means. A study with primary or primary and secondary data might yield different perspectives not covered by the paper.

The paper considers three companies for analysing the HR practices. These have been chosen as per certain parameters. A larger sample with differently sized companies could provide different results than those mentioned here.

The period considered is that of a year, that is financial year 2013-14 for the purpose of analysis. A longitudinal study covering several years for each of the companies could enable a trend analysis of the variations among the HR practices of the companies considered and their evolution through multiple stages.

Conclusion

The HR practices of the three selected companies Infosys, TCS and Wipro had elements of commonality and divergence.

Considering the large sizes of their workforces there were quite a few similarities that they had when dealing with their widely spread personnel. All of them emphasized the importance of their people and had different means to attract and retain them. Employee costs formed a substantial part of their expenses and thus attrition is a matter of careful consideration.

Some of these companies went through structural changes and these perspectives should be considered when analysing the concerned firms. The compensation as a portion of the total costs also differed through these firms. Each of company had policies to ensure employee participation though these differed as per the organisation.

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A Review of Literature on Employees' Job Satisfaction and Contentment

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Nirav B Dave : PhD Research Scholar, School of Management, R. K. University, Rajkot. Email: nirav.dave7@gmail.com
Dr. Dharmesh Raval : Professor, School of Management, RK University, Rajkot, Gujarat. Email: dharmesh.raval@rku.ac.in

Abstract

This review article contains literature review of the various research articles, related research papers, theses, or organizational reports. The author had reviewed almost 16 research articles, research papers, theses, or organizational reports with a view to understand the job satisfaction of the academicians and Industrial employees from previous studies all over the world. The study reveals that the employee job satisfaction and contentment is very crucial aspects for organizational development, employee productivity, employee commitment, quality of work and many more aspects. It is observed that a significant amount of research work has been carried out on the area of job satisfaction with several dimensions of it including varied types of issues.

Keywords: Job satisfaction, Job Contentment, School Teachers, Employees, Faculty Members, Job satisfaction Factors

Introduction

Review of Literature provides a deep insight on the concerned broad area of study. Review of Literature is the first step in any organized research work. Researcher gets to know the quantum and direction of work done till date in his/her area of research interest. It also helps a researcher in appreciating different conclusions and outcomes of the research conducted. And finally researcher can make an informed decision with regard to the research methodology which will suit to his/her research work, based on review of literature. The researchers have taken reference from related books, articles, research papers, theses, organizational report and various literatures available on the websites and internet, in the present study.

In this article authors have included review of literature of more than 16 research work related to job satisfaction of employees. The various categories of previous research work studied and included in this article by authors are related to: satisfaction of teachers and effects of work place condition; back ground conditions, parental support and teacher's compensation, satisfaction of teachers and their factors affecting job satisfaction and retention of teachers, satisfaction of school teachers and their perceptions of their job satisfaction and turnover, job satisfaction of faculty members, satisfaction of employees and Job Description Index (JDI), job satisfaction of young university teachers and their social life, satisfaction of extension agents and their relationships between selected demographic factors and the level of job satisfaction, satisfaction of employees and their organizational levels, job satisfaction of industrial workers and their determinants of job satisfaction, satisfaction of employees of hotel industry and their determinants of delegation, satisfaction of employees of small businesses and their superior-subordinate relationships and satisfaction, satisfaction of employees of small businesses and their superior-subordinate relationships and satisfaction, satisfaction of teachers and their personal attributes.

Organization of Article

Job Satisfaction is a very popular area of study and so immense number of research papers is published. To make this article structured one, we have described work of total 16 research papers into 13 categories. These categories are as under:

I. Study of satisfaction of faculty members or teachers and effects of work place condition; back ground conditions, parental support and teacher's compensation

A significant amount of research has been carried out by researchers on the dimension of job satisfaction effects on work place condition, back ground conditions and teachers compensation. In their study on job satisfaction among America's teachers, effects on work place conditions, background, attributes and teachers compensation, Marianne Perie and David P. Baker (1997) have found that leadership and administrative support, school environment and student activities, teacher freedom and working environment are connected with teachers job contentment; the more encouraged the working environment, higher the job contentment. Public school teachers need to be less contented than private school teachers and secondary school teachers need to be less satisfied than elementary school teachers, but this alliance is not nearly as strong as the finding that teachers in any school setting who receive a great deal of parental support are more contented than teachers who do not. In public schools, less experienced and young teachers have higher levels of contentment than more experienced and older teachers. In private schools, the association is bipolar—the oldest teachers and very youngest had the maximum levels of contentment as did the least and most experienced teachers. Teachers with more freedom show more contentment than teachers who feel they have less freedom. Student behaviour, support from administrative department, and feelings of control were continuously shown to be linked with teacher job contentment. Teacher's contentment showed a weak relationship with pay structure and other benefits. Working conditions had a positive relationship with a teacher's job contentment regardless of whether a teacher is in a private or public school, or an elementary or secondary school, and despite of the teacher's background attributes or the school demographics. The most contented secondary school teachers felt they had more parental support and were less likely to have been scared by students than the least contented secondary school teachers.

II. Study of satisfaction of faculty members or teachers and their factors affecting job satisfaction and retention of teachers.

Some interesting research work has been carried out by researchers on the dimension of factors affecting job satisfaction and retention of beginning teachers. In his study on factors affecting job satisfaction and retention of beginning teachers Giacometti, K. S. M. (2005) have found that following factors like compensation and benefits, emotional factors, culture shock, instructional support, preparation in teaching, school and community support, managing student and assessing students and curriculum are the major factors for the teacher job contentment and its association with the teacher retention. These factors will decide whether the teachers stay for a longer period of time or leave the job.

In her study on teacher job satisfaction and incentive at Pakistan, Khan, T. (2007) has found that there were three parameters of performance measurement, which includes motivation, competence and opportunity. She has taken three major areas and the four field of interaction which are the school, the teacher, local management and policy. For the teachers she found that teachers have less self-worth and feel they are not respected by humanity and communities in general. School teachers in general and primary school teachers in particular, feel that compared to other occupations, teaching is a low profile job. In fact, the status of teachers, mainly male teachers, has suffered so badly that sophisticated jobless become teachers only as a last resort and leave immediately when better and more respected job opportunities comes along. For the school she found that poor working environment discourage good candidates from allowing for a career in teaching and create long term serving teachers want to release from the profession. Both teachers and students have to stand for very terrible school environments. Good quality schooling environment can have a strong fruitful effect on teacher's encouragement to teach because of the equally encouraging environment it connotes. For the local management she found that Head teachers need to be given the accountability of managing their staff and vital decisions which affect the school and particularly the happiness of teachers must be handled by the head teacher supported by local management, but at the moment there seems to be a lacuna. For the strategy she found that promotions are based on seniority rather than performance of teachers. The absence of a method to be familiar with the achievement of teachers' suggests that there is less inspiration among public school teachers to promote effective schooling. Informants point out that non-transparent transfers and appointments are a major source of job unhappiness. There is little chance for career advancement in the teaching occupation in Pakistan, particularly for primary school teachers. To go ahead in the career, the majority of the teachers thought of going into secondary school teaching. This, conversely impacts negatively on primary school education since they tend to misplace a good cadre of teachers to secondary schools.

III. Study of satisfaction of school teachers and their perceptions of their job satisfaction and turnover

Interesting research has been carried out by researchers on the dimension of job satisfaction among primary female school teachers. In their study on job satisfaction among primary female school teachers: a case study of Lahore district, Chohan, M. A. A., Shafiq, M. M., & Naseem, M. A. (2011) have found that the female primary school teachers participated in this research, are discontented with their pays. The study shows the association between sectors and demographic factor. Majority of primary teachers in public sector are of the age of above 40 categories but private sector prefers young teachers. In public sector most of the primary teachers have metric prerequisite with PTC diploma but private sector preferred teachers had Graduation or Master Degree profile. It is concluded that in public sector female teachers sense their work as secure but on the other hand teachers in private sector feel their jobs are unsecure. There is a major difference observed on the answer of both sectors. Female primary school teachers are facing different kind of problems in teaching profession. Majority of female primary school teachers use public transport in Lahore district. Use of public transportation creates unhappiness in profession.

In their study on teacher's perceptions of their job satisfaction and turnover – A case study of some schools in Sultanate of Oman, Rawdha K. R. A, Ismail H. A., (2012) have found that their research has chiefly exposed the association between two factors. Job contentment is measured through various appropriate parameters in the associated environments, such as, work, wage, promotion, appreciation, teaching itself, teaching workloads and other issues related to teaching. In addition, this study has carefully taken into consideration to decide the primary reason behind such occurrence. They used the Principle Component Analysis (PCA) for construct validity besides the Measurement Model or Confirmatory Factor Analysis (CFA) to analyze the data and the results illustrate that these two factors, specifically, the teachers' turnover and the job contentment, are closely correlated to each other in such a way that the teachers' unhappiness has conductively led to the teachers' revenue. The results of the study indicate that two factors - pay and allowances are the reasons for their discontentment. They believe that their income is low as compared to their efforts. They also think that they are doing consistent efforts to improve the educational level of the participants and such parameters may influence the correctness of the results because of these differences. They also construct questionnaire consist of various parameters which they believe are more influencing the problem. They did not have open ended questionnaire for collecting their views and also suggest that through the open ended questionnaire be added so that they can know the parameters suggested by the teachers for the study.

In their study on job satisfaction among secondary school teachers Muhammad M. A., Jegak U. and Balakrishnan P. (2009) have found that the teachers working in secondary school included as respondents in this study are usually contented with their Job of teaching. This result does not verify our general view of this study that the secondary school teachers in our country are unhappy with their profession. This study also revealed that the teachers of secondary school are not happy with their pay structure and working environment in the school. This result also brings to light the common view that the secondary school teachers of Malaysia are dissatisfied with poor pay structure and also with bad working environment particularly in the schools located in rural areas.

Findings of the study indicate that secondary schools in Tawau, Sabah is in critical requirement to get better the working environment in many schools. Specific strategies are required to move forwards the school working environment with a view to deliver a better working environment for the school teachers to perform in better manner. Special thoughtfulness and allotments from the Ministry of Education are required to improve the work environment and the physical structure of the schools. In addition to this, the findings of this study indicate that the six work parameters selected have positives impact on school teachers' overall job contentment. Hence, these work facets of teaching job should be taken into consideration while planning for school teachers overall job contentment. This shows that school teachers' work facets data are vital source of consideration for managing their job contentment. The results of study show that the six parameters of the job of teaching are considerably linked with school teachers' job contentment. The administration and the Teaching Department of the school should investigate carefully all these six parameters which are found to be completely touching the secondary school teachers contentment. Secondary Schools should be capable with sufficient services and other teaching resources satisfactorily with an objective of the Secondary school teachers to perform effectively and efficiently in the secondary school viewpoint.

IV. Study of job satisfaction of faculty members

A noteworthy amount of research has been carried out by researchers on the dimension of faculty job satisfaction. In their study on medical faculty job satisfaction Bunton, S. A. (2006) found that several salient features consisting job contentment of faculty members of medical school present a context for understanding the difficulty of the issue. On the other hand, several faculty members' remarks were specific to their own organizations; they made enquiry that are vital for faculty members in the country in thinking about what things make a immense place for working. These faculty members' remarks also make clear that the significance of various facets of faculty member's contentment changes by type of faculty members. Few of the faculty contentment literature sets various kinds of faculty members together without responsible for nuances in their individual views. A significant amount of research has been carried out by researchers on the dimension of job satisfaction among secondary school teachers.

V. Study of satisfaction of employees and Job Description Index (JDI)

A significant amount of research has been carried out by researchers on the dimension of job satisfaction: empirical evidence for alternatives to JDI. In their study on "Job satisfaction: empirical evidence for alternatives to JDI", Ramayah, T., Jantan, M., & Tadisina, S. K. (2001) found that individual persons do not have same degree of weight for all the facets of Job Description Index. Instead, each individual has his or her own requirements and will grade the significance with regards to his or her requirements. Therefore what the researchers observed from the analysis was that there is certainly a variation in the value placed on each parameter of the Job Description Index. Work was graded most vital followed by promotion and supervision. An additional analysis ventured to observe, if there were major variations in the grading of importance of the Job Description Index parameters between female and male participants. The results suggested that the grading of significance varies between male and female respondents. The male's respondents graded work as most vital followed by supervision, promotion, colleagues and pay structure as the least vital parameter. While the females respondents had also graded work as the most vital but graded supervision as second most vital followed by co-worker promotion, and pay at least important.

VI. Study of job satisfaction of young university teachers and their social life

A significant amount of research has been carried out by researchers on the dimension of Job satisfaction. In their study on job satisfaction in United States, Smith, T. W. (2007) at NORC/University of Chicago found that the majority of American youth are working and their occupation is not only their major resource of Income, but also a vital life part in other traditions. Their job interest plays significant part of life of every employee's day. It is their main basis of social status. This helps them to be familiar with whom a person is and also affects their health, both psychologically and physically. Work is most important for many people in life so contentment is most important facet in overall contentment and well being. In all the professions, job contentment is not equal for all the employees in all organizations. Usually, job satisfaction or job contentment is boosted with the reputation or social status of profession. It is found that the teachers are reasonably contented in the framework of job contentment and universal happiness.

VII. Study of satisfaction of extension agents and their relationships between selected demographic factors and the level of job satisfaction

Interesting research has been carried out by researchers on the dimension of relationships between selected demographic factors and the level of job satisfaction of extension agents. In their study on the relationships between selected demographic factors and the level of job satisfaction of extension agents Scott, M., Swortzel, K. A., & Taylor, W. N. (2005), at Mississippi State University, researchers found that male employees rated all three domains (teaching, marital status and age) lower than female employees, indicating a higher level of contentment with individual knowledge and expansion occasion at work, job safety, and reimbursement. They also suggest that teaching and marital status and age were not linked to any of the job contentment domain for Extension agents.

VIII. Study of satisfaction of employees and their organizational levels

A significant amount of research has been carried out by researchers on the dimension of organizational levels and job satisfaction. In his study on organizational levels and job satisfaction Saiyadain, M. S. (1977), faculty member in the Organizational Behaviour area at The Indian Institute of Management, Ahmadabad, focused on the association between job satisfaction and job contentment with various levels of the organization. He has used random sampling method to collect the data from 84 employees from various four institutes of same level from the one unit of an institute. He used Job Satisfaction Index (JSI) and PNSQ questionnaires for study. PNSQ consists of various 13 factors categorized into Maslow-type need-hierarchy system. He used another questionnaire controlled by Bayfield and Rothe's (1951) Job Satisfaction Index (JSI) which consists of 18 various statements. He found in his research that the employees working with similar level of employees have more job contentment scores than those working with different level of employees.

IX. Study of job satisfaction of industrial workers and their determinants of job satisfaction

A significant amount of research has been carried out by researchers on the dimension of Determinants of Job Satisfaction. In their study on Determinants of job satisfaction among Industrial workforce, Sharma, B. R. (1980), Professor of Human Relations in Industry at The Xavier Labour Relations Institute, Jamshedpur, has focused on factors which are considerably associated with job contentment. He used 18-point scale developed by Bayfield and Rothe for measuring job contentment. He selected sample from various eight well known industries organization for the study. His findings were that every autonomous factor is absolutely linked not only to job contentment but also to all one other independent factors. While profits and work-related ambitions are not completely related to job contentment, recruitment policy of the organization considerably affected it.

X. Study of satisfaction of employees of hotel industry and their determinants of delegation

Interesting research has been carried out by researchers on the dimension of determinants of delegation. In their study on determinants of delegation: a study in five star hotels, Jha, S. (2004) focused on frontline employees of five star hotels in Mumbai. The study focused on the effect of job description and senior-subordinate relationship on allocation. The study also included sample size of 319 frontline employees working in 9 five star hotels in Mumbai. Researcher considered senior subordinate relationship and job attributes as independent factor while delegation as a dependent factor. The dependent factor is 'delegation' which is related with quantity of delegation, process of delegation and supporting factors of delegation. The independent factors are senior-subordinate relationship and job attributes such as task identity, skill variety, friendship opportunities, feedback, and dealing with others. In her study she found that there is an important positive association between senior-subordinate association and amount of delegation, process of delegation, and facilitating factors of delegation as well as between job attributes and amount of delegation. In the competitive business era, the frontline seniors as well as subsidiary in any service industry, mainly the hotel sector, will have to play vital role. With a view to train the subordinates accurately for constant customer relationship, the seniors will need to success fully hand over tasks and delegation requires understanding, knowledge, intuition, experience, and skill. There has to be adequate familiarity of work and appropriate flow of resources and information between subordinates and seniors and, so that boss can delegate subordinates a few vital responsibilities that a senior will otherwise not hand over. The other important dimensions of delegation according to the researchers are: feedback, task, identity, and dealing with others.

XI. Study of satisfaction of employees of small businesses and their superior-subordinate relationships and satisfaction

A significant amount of research has been carried out by researchers on the dimension of superior-subordinate relationships and satisfaction. In his study on superior-subordinate relationships and satisfaction in Indian small business enterprises, Afza, M. (2005) focused on motivational budding in small industry built-up venture and conducts a study on them in United States. The major purpose of this study was to observe if the grades from a promising nation are diverse from those of urban countries. He has used Rahim Leader Power Inventory (RLPI) to measure the five French and Raven (1959) bases of supervisory power. He found that the authority bases are significant predictors in the United States, a civilization that is characterized by high level of distinctive greed, strong industrial mental behaviour and low power-distance. In India, the power bases are likely to be even strong because of the humanity's exceptional socio-cultural attributes. India's social impression is high on power-distance that advice commitment and possibly accountability in small business sector. The influence of Confucian philosophy and Gandhi's values are likely attribute that distinguish India's traditions base from that of the United States.

XII. Study of satisfaction of scientists and their occupational commitment amongst scientists

A significant amount of research has been carried out by researchers on the dimension occupational commitment amongst scientists. In their study on differences in occupational commitment amongst scientists in Indian defence, Academic, and Commercial Research and Development organizations Goswami, S., Mathew M., & Chadha,N.K.(2007) investigate to find out the influence of term, age, occupational, job contentment, and occupational promise on the five factor model of personality. They used a questionnaire of job contentment followed by the neo five factor character inventory and occupational Commitment on a sample of 126 Research and Development professionals. They found that occupational term has a power on the emotional promise of the government commercial scientists. Though, age had no important association related to any form of promise, Occupational promise is a significant result of work-related life. Personality and job contentment are useful in forecasting of occupational promise. It is in the attention of every institute to have committed employees. From the review of the present study, the emotional facet of promise can be explained by the personality profile of the academic scientists and by job contentment of the defence scientists. Behaviour has a major function amongst academic scientists in explaining their emotional attachment to their occupation.

XIII. Study of satisfaction of teachers and their personal attributes

A significant amount of research has been carried out by researchers on the dimension of personal attributes and job satisfaction. Koustelios, A. D. (2001) studied personal attributes and job satisfaction of Greek teachers. This study was undertaken with intent to look at the level of job contentment experienced by some Greek teachers and to look at the association between personal attributes and specific aspects of job contentment. They selected 354 teachers, aged between 28 to 59 years from 40 state schools as their sample. The findings of the study showed that teachers were contented with the job itself and supervision, while they were discontented with payment and promotional opportunities. The results of standard multiple regressions showed that few personal attributes like age, gender etc. were significant predictors of different aspect of job contentment. The factors other than the personality attributes, such as organizational parameters, should be included in further future investigation to facilitate describe better the teachers' job contentment.

Way Forward

It is fascinating to review the literature on job satisfaction of different types of employees working in different countries and in different conditions. A lot of learned researchers have contributed immensely to this area of study and have made this area very rich and informative for any new researcher. The methodology is also very varied and conclusions are very logical. Job satisfaction or contentment is a popular area of research work and varied results have obtained by different researchers due to change in methodology and type of teachers.

It is an accepted truth that satisfied employees can only keep customers happy; academics is no exception to this rule. Faculty members or teachers are employees and they have their own specific characteristics as knowledge workers.

It is also very important to improve organizational productivity, to improve employee performance, to attain, retain and sustain employees in the organization for the sheer reason of, rapid growth and development of the organization and for many more organizational benefits. By keeping this importance of employee job satisfaction or contentment in mind every organization is checking employee satisfaction by using various tools like job satisfaction surveys, employee's group discussions and meetings and focus group interviews.

Though, a massive amount of work has been carried out globally, more contemporary research adding local constraints and conditions can provide more actionable findings. Rather than directly acting upon the finding of such a satisfaction survey, it is indeed important to examine the psychological aspects of employees, type of sector of their work and other relevant factors.

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Switching Behavior of Consumer for Bathing Soap by Using Markov Chain Analysis Model

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Darshana Vekariya : MBA Student, S.S. Agrawal Institute of Management & Technology, Navsari, Gujarat. Email: darshna.vekariya@yahoo.com

Abstract

Every industry and economy is idiosyncratic especially in terms of what drives consumer loyalty and so, extrapolating knowledge may not always provide the right basis for competitive advantage. This paper borrows transition matrix as a forecasting instrument for determining the market environment in the future, and sets out to unveil the potential of Markov chains in sequencing family brand choice and in determining intensive transitional probabilities for soap. Data were purposefully drawn from 400 families of Navsari city. The data generated were cast into a Markov matrix to permit meaningful observation of the households' behaviour toward various brands of soap. On the basis of Markov chain analysis model it is found that time to time take certain changes in product and its related actives so that company break Markov Chain Model analysis and maintain their market share in soap market.

Keywords: Brand, Loyalty, Switching Behaviour, Market Share, Markov Chain

Introduction

Brand Loyalty: Brand loyalty occurs when a customer chooses to repeatedly purchase a product produced by the same company instead of a substitute product produced by a competitor. For example, some people will always buy Lux soap at the super store, while other people will always purchase Dove soap.

Markov Chain Analysis: A Markov chain is a stochastic process with the Markov property. The term "Markov chain" refers to the sequence of random variables such a process moves through, with the Markov property defining serial dependence only between adjacent periods (as in a "chain"). It can thus be used for describing systems that follow a chain of linked events, where what happens next depends only on the current state of the system.

Reasons for brand switching in bathing soap

Price, Family Influence, Product Availability, Sales Promotion, Advertisement, Quality of Product, Quantity of Product, Packaging, Reference form others, Feature, Fragrance, Customer's Satisfaction.

Literature review

Dhanalakshmi S & Dr. M. Ganesan, (2015) studied on Satisfaction & Brand Loyalty towards Bathing Soap in Chennai. According to their study they concluded that product innovation, good selling and distribution are going to be of key importance for FMCG product to become leaders within the business.

Godwin I. Umoh, Hart O. Awa, Prince T. Ebitu (2013) examined on Markovian Application to Brand Switching Behaviour for Toothpaste in European and they found general assumption that price sensitivity is a common phenomenon amongst people of low income groups. Markov matrix shows strength in predicting long-run brand loyalty but it rarely provides lenses to understand which variables are responsible for such loyalty. Therefore, so steps further to unveil such lenses and further concluded that flavour and functionality were the most significant determinants of this observed loyalty, followed by brand availability and awareness, brand name and image, and deals.

Sathish M, et al. (2011) studied on Consumer Switching Behaviour in Cellular Service Provider with reference to Chennai. They found that there is a relation between switching the service provider and the factors. They suggest that managers of these mobile operators should shift focus on building corporate image and analyze more carefully the reason for consumers to switch brands in this industry in order to increase loyalty among these consumers.

David Mazursky, Priscilla LaBarbera, Al Aiello (1987) conducted research on when Consumers Switch Brands. Their findings show that there is a difference depending upon whether switching behaviour was induced by extrinsic (e.g., price, coupon) or intrinsic (e.g., a desire to try a new brand) incentives. Unlike intrinsically induced switching, extrinsic incentives motivated consumers to switch despite a high level of satisfaction with the last purchased brand. However, this switching behaviour resulted in weaker intentions to repurchase the new brand.

AyparUslu, Tuncay Cam examined on Analysis of Brand Loyalty with Markov Chains. The purpose of their study was to examine the consumer Brand Loyalty of sport shoes with Markov chains method. In this study, the data to examine the Brand Loyalty have been obtained from 531 undergraduate students in Istanbul, Turkey. In their study it was observed that in forming the tendency of customers on becoming brand loyal, the marketing variables play an important role.

Research Methodology

A primary survey of 400 families in Navsari city was conducted by using a self-administered questionnaire to get response related to their current brand of bathing soap, their previous brand which was purchased and their reasons and sentiment for switching from one brand another.

Data analysis and findings

Table 1: Demographic profile

Gender Male	Female	Total
124	276	400

Age

<20	21-34	35-44	45-54	55-64	65 or Above 65	Total
252	121	17	5	2	3	400

Marital Status

Married	Single	Total
61	339	400

Number of Member in House

1-3	4-5	6-8	9+	Total
76	247	52	25	400

Level of Education

Did not go to School	Primary	Secondary	College / University	Total
16	5	36	343	400

Monthly Household Income

0-10,000	10,001-20,000	20,001-40,000	40,001-60,000	More than 60,000	Total
130	91	120	33	26	400

Table 2: Reasons for switching from previous brand to current brand

Better Price	37
Better Quantity	51
Better Advertising Style	23
Better Packaging	16
Suggestion from others	17
Better Quality	238
Better Features	44
Better Availability	21
Better Fragrance	24
Total	471

Most of the respondent's reason for switching one brand to another brand is better quality of soap, better features of soap & better quantity of soap.

Table 3: How often do you buy soap in a month?

Once Permonth	Twice Permonth	Three or more time per month	Total
121	173	106	400

Most of respondent going twice per month for buy soap.

Table 4: How many soap do you buy in a single purchase?

One bar	Two bars	Three bars	Four bars	Five bars or more than five	Do not know	Total
17	68	118	119	60	18	400

Most of respondent purchased 3- 4 bars at a time and least respondent purchased 1bar at a time.

Table 5: What size of soap did you bought in your last purchase?

Small (15g)	-20 Medium (70g)	-75 Large (100g)	-125 Other (shower & other)	Total
15	327	54	4	400

Medium size of soap is preferred by large number of respondents.

Table 6: Please give your opinion to the following

	Particular	Strongly Disagree	Disag-ree	Do Not Know	Agree	Strongly Agree	Total	Mean
A	I usually purchase one brand	38	50	34	181	97	400	3.6225

B	If the brand I usually buy is not available I would search for it in another shop	19	48	36	206	91	400	3.755
C	If the brand I usually buy is not available I would buy another brand	42	160	61	110	27	400	2.8000

- Majority respondents are agreeing with brand loyalty.
- Most of the respondents are brand loyal if product is available in shop

Table 7: How likely are you to buy your most preferred brand of soap in the next month?

Definitely will	Probably will	Will depend on availability	Probably will not	Definitely will not	Total
249	77	51	11	12	400

Most of respondents are brand loyal because they purchase same soap in next month.

Table 8: From where do you usually purchase soap

Local market	Super Market	Peddler	Chemist	Total
136	229	8	27	400

Most of respondents are purchase soap from super market & least of the respondents are purchase from peddler.

Table 9: Indicate whether you agree or disagree with the following statements.

	Particular	Agree	Disagree	Total
A	Feel happy buying an unfamiliar brand so long it is inexpensive	145	255	400
B	Would buy my brand regardless of price	285	115	400
C	Would buy another brand if my favorite brand increased by 5 times	175	225	400

- Majority respondents feel unhappy buying an unfamiliar brand so long it is inexpensive.
- Most of respondents agree with they would buy their brand regardless of price.
- Price of product increase 5 times then after majority respondents purchasing same brand because they are brand loyal.

Table10: In the various approaches to buying soap listed below, indicate which one you are most likely to use.

Cheapest brand	Familiar brand	What shopkeeper recommends	Whatever is available	Total
31	327	17	25	400

Most of the respondents are using familiar brand & least of the respondent are use what shop keeper recommend.

Table 11: Indicate whether you strongly disagree, disagree, do not know, agree, or strongly agree to the following statements.

	PRATICULAR	Strongly Disagree	Dis-agree	Do Not Know	Agree	Stron-gly Agree	Total	Mean
A	I always ask my friends about brand that are unfamiliar to me	56	88	35	196	25	400	3.115
B	I always buy brands my friends like Whenever I make a purchase I take into	58	234	27	66	15	400	3.625
C	account the preferences of my family	10	46	29	256	59	400	3.77

- Most of respondents are ask to their friends if brand is unfamiliar.
- Majority respondents are not purchase the same brand which their friends like.
- Most of respondents prefer to buy that brand which their family recommends.

Table 12: Do you think there is no difference, slight difference or a lot of difference among soap brands?

No Difference	Slight Difference	A lot Difference	Total
120	121	159	400

Most of respondents feel lot of difference between to soap.

Table 13: Have you ever experienced any disappointment from using soap?

Never	Sometimes	Often	Total
243	143	14	400

Most of the respondents never felt disappointed by using soap.

Markov Chain Analysis Model

1. Transition matrix of frequencies of switch over from one brand to another brand

Transition Matrix showing frequencies of switchover from one brand to another brand													
Previous	Current Purchase												
Purchase	HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others	Total
HUL	167	5	8	0	2	6	19	1	2	4	0	6	220
ITC	12	6	1	0	0	1	2	0	0	0	0	1	23
Godrej	11	1	17	0	0	0	2	1	0	1	0	2	35
VVF	0	1	0	1	0	0	1	0	0	0	0	0	3
Nirma	8	1	0	0	4	4	0	1	0	0	1	0	19
Wipro	7	0	1	0	0	15	2	0	0	0	0	1	26
RB	10	2	1	0	0	2	30	0	0	3	0	0	48
Anchor	0	0	0	0	0	0	0	1	0	0	0	0	1
Patanjali	0	0	0	0	0	0	0	0	1	0	0	0	1
Margo	2	0	0	0	0	0	1	0	0	10	0	0	13
RSPL	0	0	0	0	0	2	0	0	0	0	0	0	2
Others	4	0	1	0	0	0	0	0	0	0	0	4	9
Total	221	16	29	1	6	30	57	4	3	18	1	14	400

2. Transition matrix of probabilities of switch overs from one brand to another brand

Transition Matrix showing probabilities of switchovers from one brand to another brand													
Previous	Current Purchase												
Purchase	HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others	Total
HUL	0.7591	0.0227	0.0364	0.0000	0.0091	0.0273	0.0864	0.0045	0.0091	0.0182	0.0000	0.0273	1.0000
ITC	0.5217	0.2609	0.0435	0.0000	0.0000	0.0435	0.0870	0.0000	0.0000	0.0000	0.0000	0.0435	1.0000
Godrej	0.3143	0.0286	0.4857	0.0000	0.0000	0.0000	0.0571	0.0286	0.0000	0.0286	0.0000	0.0571	1.0000
VVF	0.0000	0.3333	0.0000	0.3333	0.0000	0.0000	0.3333	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000
Nirma	0.4211	0.0526	0.0000	0.0000	0.2105	0.2105	0.0000	0.0526	0.0000	0.0000	0.0526	0.0000	1.0000
Wipro	0.2692	0.0000	0.0385	0.0000	0.0000	0.5769	0.0769	0.0000	0.0000	0.0000	0.0000	0.0385	1.0000
RB	0.2083	0.0417	0.0208	0.0000	0.0000	0.0417	0.6250	0.0000	0.0000	0.0625	0.0000	0.0000	1.0000
Anchor	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000	1.0000
Patanjali	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	1.0000
Margo	0.1538	0.0000	0.0000	0.0000	0.0000	0.0000	0.0769	0.0000	0.0000	0.7692	0.0000	0.0000	1.0000
RSPL	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000
Others	0.4444	0.0000	0.1111	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.4444	1.0000
Total	0.5525	0.0400	0.0725	0.0025	0.0150	0.0750	0.1425	0.0100	0.0075	0.0450	0.0025	0.0350	1.0000

3. Current market share vector of different brands

Current Market share vector of different brands												
HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others	Total
55.25%	4.00%	7.25%	0.25%	1.50%	7.50%	14.25%	1.00%	0.75%	4.50%	0.25%	3.50%	100.00%

Transition probabilities markov chain analysis model

Markov Chains

Step 2a: **Initial probabilities:** You may overwrite state codes in ROW 3 then click here

Codes:	HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others
	1	0	0	0	0	0	0	0	0	0	0	0

Step 2b: **Input Markov chain:**

	HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others
HUL	0.7591	0.0227	0.0364	0.0000	0.0091	0.0273	0.0864	0.0045	0.0091	0.0182	0.0000	0.0273
ITC	0.5217	0.2609	0.0435	0.0000	0.0000	0.0435	0.0870	0.0000	0.0000	0.0000	0.0000	0.0435
Godrej	0.3143	0.0286	0.4857	0.0000	0.0000	0.0000	0.0571	0.0286	0.0000	0.0286	0.0000	0.0571
VVF	0.0000	0.3333	0.0000	0.3333	0.0000	0.0000	0.3333	0.0000	0.0000	0.0000	0.0000	0.0000
Nirma	0.4211	0.0526	0.0000	0.0000	0.2105	0.2105	0.0000	0.0526	0.0000	0.0000	0.0526	0.0000
Wipro	0.2692	0.0000	0.0385	0.0000	0.0000	0.5769	0.0769	0.0000	0.0000	0.0000	0.0000	0.0385
RB	0.2083	0.0417	0.0208	0.0000	0.0000	0.0417	0.6250	0.0000	0.0000	0.0625	0.0000	0.0000
Anchor	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000
Patanjali	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000
Margo	0.1538	0.0000	0.0000	0.0000	0.0000	0.0000	0.0769	0.0000	0.0000	0.7692	0.0000	0.0000
RSPL	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Others	0.4444	0.0000	0.1111	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.4444

After 300 switch over market share will become steady state

Output (300-step) transition matrix

	HUL	ITC	Godrej	VVF	Nirma	Wipro	RB	Anchor	Patanjali	Margo	RSPL	Others
HUL	0.0319	0.0018	0.0037	0.0000	0.0004	0.0036	0.0105	0.4497	0.4900	0.0061	0.0000	0.0024
ITC	0.0324	0.0018	0.0037	0.0000	0.0004	0.0036	0.0107	0.4518	0.4868	0.0062	0.0000	0.0024
Godrej	0.0310	0.0017	0.0036	0.0000	0.0004	0.0035	0.0102	0.4806	0.4608	0.0059	0.0000	0.0023
VVF	0.0332	0.0018	0.0038	0.0000	0.0004	0.0037	0.0110	0.4510	0.4861	0.0063	0.0000	0.0025
Nirma	0.0305	0.0017	0.0035	0.0000	0.0004	0.0034	0.0101	0.4872	0.4552	0.0058	0.0000	0.0023
Wipro	0.0328	0.0018	0.0038	0.0000	0.0004	0.0037	0.0108	0.4526	0.4854	0.0062	0.0000	0.0024
RB	0.0331	0.0018	0.0038	0.0000	0.0004	0.0037	0.0110	0.4511	0.4863	0.0063	0.0000	0.0025
Anchor	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000	0.0000
Patanjali	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	1.0000	0.0000	0.0000	0.0000
Margo	0.0336	0.0019	0.0039	0.0000	0.0004	0.0038	0.0111	0.4489	0.4875	0.0064	0.0000	0.0025
RSPL	0.0331	0.0018	0.0038	0.0000	0.0004	0.0037	0.0109	0.4524	0.4851	0.0063	0.0000	0.0025
Others	0.0322	0.0018	0.0037	0.0000	0.0004	0.0036	0.0107	0.4554	0.4837	0.0061	0.0000	0.0024

Step 1:	Number of states =	12
Step 2:	Click to enter Markov chain	
Step 3:	Number of transitions=	300
Step 4:	Click to execute	

Output Results

State	Absolute (300-step)	Steady state	Mean return time
HUL	0.0319	0.0319	31.3810
ITC	0.0018	0.0018	566.5040
Godrej	0.0037	0.0037	272.0501
VVF	0.0000	0.0000	infinity
Nirma	0.0004	0.0004	2693.1677
Wipro	0.0036	0.0036	278.9777
RB	0.0105	0.0105	94.7949
Anchor	0.4497	0.4497	2.2237
Patanjali	0.4900	0.4900	2.0407
Margo	0.0061	0.0061	164.8338
RSPL	0.0000	0.0000	50695.550781
Others	0.0024	0.0024	422.2463

Findings

- Major reasons for Brand Switching are better quality of soap, better features of soap &packing size of soap.
  - 51% respondent switchover to another brand because of better Quality of product
  - 11% respondent switchover to another brand because of better Quantity & 9% respondent switchover to another brand because of Better features of product.
- Price is also the most sensible issue for Brand Switching behaviour.•Brand Loyalty is restricted to the availability of the brand at particular Shop.
- 82% Respondent's inclination is towards familiar brand of soaps.
- 40% respondents feel a lot of difference between two brands.
- HUL is the leader in the Bathing Soap category with 55% Market share.
- From Markov chain, change in Market share of HUL was from 55% to 50% after first five switches over.
- The steady state market share reaches after 299 switch over.
- It is seen from Markov Analysis that market share decrease for some companies & increase for other companies. To prevent this decrease, company has to take measures like product design changes, packaging changes, promotion changes, change in prices and offers & so on in others.

Conclusions

1. To survive in market, companies need to measure their brand loyalty from time to time.
2. The companies objective should be to disrupt the Markov Chain by implementing different marketing strategies like changes in product features , adjustment in the price, aggressive promotion, Change in promotional strategy, expanding distribution network, change in ackaging etc.
3. On the basis of this project it is concluded that companies should identify various reasons for switch over and take necessary step to decrease rate of switchover.
4. This model also show future states of market share if they not take any changes in their product n product related activities.

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A Study on Customer Satisfaction and Brand Loyalty for Cosmetic Products: The Working Women Perspective

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Hetal Thakar : Ph.D Scholar, School of Management, RK University, Rajkot, Gujarat. Email: hetal.thakar@cksvim.edu.in
Dr. Vipul Patel : Associate Professor, Shanti Business School, Ahmedabad, Gujarat. Email: vipulpat@gmail.com

Abstract

The association between customer satisfaction and brand loyalty has attracted many researchers. Most of this discussion recognized a significant relationship between customer satisfaction and brand loyalty. The purpose of this research is to study association between customer satisfaction and brand loyalty for the cosmetic industry.

The study is an empirical one with primary data collected from Vadodara and Ahmedabad region in Gujarat, with an objective to understand association between customer satisfaction and brand loyalty for cosmetic products with special reference to working women. ANOVA have been used to analyse the data as well as reliability test is conducted to test reliability of scale used in the questionnaire. The results of this survey show that there exists relationship between customer satisfaction and brand loyalty.

Keywords: Customer Satisfaction, Brand Loyalty.

Introduction

Everyone has a right to look good in the society, irrespective of their gender. Since decades, women cosmetic market is very popular. The cosmetics product refers to all those products which care the human body and make it more beautiful. Cosmetic industry is a lucrative business that progressively attracts more attention from marketing researchers. The highly competitive environment in the cosmetic industry makes it a valuable area to study customer satisfaction and brand loyalty for cosmetic products. Brand loyalty is one of the important aspects which is significant for the management to sustain competitive advantages in the market.

It is a challenge for the marketers to gain new customers and relatively it's easy to keep existing ones, especially when your existed customers are satisfied and happy with your product or service. Usually customers buy a familiar brand as they are comfortable with that brand. Thus, recognized brand has favourable chance to be selected over an unknown brand. Branding is a journey from ordinary product to renowned brand in the market.

To retain the customers' marketers should focus on loyal customers. A customer who is satisfied with the products would be more loyal customer of the product. Marketer should understand that higher the customer satisfaction will lead to increasing number of loyal customers. Brand loyalty for a product needs strategic planning and distinct skills as well as investment.

Literature Review

Customer Satisfaction

Satisfaction means expectations of the customers from the product or services. The satisfaction level depends on the level of expectations of the customers. (Gerpott, Rams and Schinder, 2001). According to Blackwell, Miniare and Engel (2006), satisfaction occurs when consumers' expectations are matched by perceived performance. On the other hand, dissatisfaction occurs when experiences and performance fall short of expectations. Satisfaction can lead to repeat purchase. Consumers possessing positive evaluations of a brand or product are much more likely to buy the brand or product again than those who possessing negative evaluations. Besides, due to the fact that retaining an existing customer usually costs less than recruiting a new one, companies are dedicated to satisfy their customers.

Kotler and Keller (2006) suggested that customer satisfaction stands for emotional states of pleasure or disappointment which a person may feel due to comparison between his expectations and performance.

Brand Loyalty

Nezakti H., Yen P.C., Akhoundi M. (2013) studied the antecedents impact on Brand loyalty in Cosmetic Industry. This study presented a relationship model between corporate image, service quality, perceived value, customer satisfaction and brand loyalty for cosmetic industry. The brand image benefit namely functional, social and appearance enhance are positively and significantly related to customer satisfaction and loyalty intention. (Thakur S. & Singh A.P, 2012)

Thakur S. and Singh A.P. (2012) conducted study on brand image, Customer satisfaction and loyalty intention: A study in the context of cosmetic product among the people of central India. The purpose of the research to know the relationship between brand image benefit, customer satisfaction and loyalty intention in the context of selected cosmetic product among the people of central India; the result showed that three brand image benefits namely functional, social and appearance enhancement are positively and significantly related to customer satisfaction and loyalty intention. Finding of the study also suggested that customer satisfaction is the key of loyalty intention; on the basis of the finding it can be said that there is positive relationship between customer satisfaction and loyalty intention, this is also to be say that if the users of cosmetic product are much satisfied then they may create a base of loyalty.

Customer Satisfaction and Brand loyalty

The association between customer satisfaction and brand loyalty is one of the most essential relationships for marketing theory and practice, because loyalty impacts firms' financial performance and value. Also, the association between customer satisfaction and brand loyalty links customer attitudes (e.g., how much customers are satisfied with firms' product or service) to customer behavior (e.g., customers' actual repurchase behavior for the product or service).

Like customer loyalty, there is lack of consensus among researchers on the subject matter of customer satisfaction. This is because several researchers have looked at the concept from different perspectives. Rust R. T. and Oliver R. L. (1994) suggest that customer satisfaction or dissatisfaction - a "cognitive or affective reaction" - emerges as a response to a single or prolonged set of service encounters. In the words of Giese J. L., Cote J. A. (2000), consumer satisfaction comprises three basic components including the type of response (cognitive, affective or co native); the centre of interest or the subject on which the response is focused; and the moment in time at which the evaluation is made.

According to Blackwell, Miniare and Engel (2006), satisfaction occurs when consumers' expectations are matched by perceived performance. On the other hand, dissatisfaction occurs when experiences and performance fall short of expectations. Satisfaction can lead to repeat purchase. Consumers possessing positive evaluations of a brand or product are much more likely to buy the brand or product again than those who possessing negative evaluations. Besides, due to the fact that retaining an existing customer usually costs less than recruiting a new one, companies are dedicated to satisfy their customers.

Attitudinal Loyalty and Behavioural Loyalty

According to Pritchard, Havitz and Howard (1999), loyalty is defined as a mixture of both concepts of behaviour and attitude. Attitudinal loyalty comes from commitment. Attitudinal loyalty is motivated by unlimited dedication towards a brand. The behavioural loyalty, on the other hand, is in direct relation with repeat purchase. However, Bhatty, Skinkle and Spalding (2001) believed that repeat purchase is not a suitable indicator for loyalty.

According to latest research, attitudinal loyalty is considered in the loyalty literature a mechanism underlying behavioural loyalty (Liu-Thompkins &Tam, 2013). The studies that examine loyalty as psychological state emphasize loyal customer's attitude as a reason or as a component of customer loyalty. Attitudinal loyalty focuses on the psychological commitment of the consumer (Odin et al., 2001; Oliver, 1999)

It is said that there is a relation between attitudinal loyalty and behavioural loyalty. While Bennett & Thiele (2002) discussed that behavioural loyalty is an observable result of attitudinal loyalty; and concluded the positive correlation between attitudinal and behavioural loyalty, other researches on the issue revealed that there is a relation between attitudinal and behavioural loyalty (Chaudhuri & Holbrook, 2001; Halim,2006; Huang & Zhang, 2008).

Objectives of the study

The main objective of this research is to study the relationship between customer satisfaction and brand loyalty for the cosmetic products with special reference to working women of Vadodara and Ahmadabad region.

Research Methodology

Customer satisfaction is the key variable which has association with brand loyalty. The current study is a descriptive study with an objective to study relationship between customer satisfaction and brand loyalty for the cosmetic products with special reference to working women. For this primary data is collected and data collection method used is personal survey method. The data is collected through a structured questionnaire with a five point likert scale ranging from strongly disagree to strongly agree for all the statements related to Brand loyalty. The sampling technique adopted for the survey is non-probability convenience sampling technique. The total samples size is 205 working women which are collected from the Ahmedabad and Vadodara region of Gujarat state, India.

Table 1: Sample Size

Location	Sample Size
Ahmedabad	125
Vadodara	80
Total	205

Data Analysis

Table 2 indicates the demographic profile of the respondents.

Table 2: Demographic Profile of the Respondents

Particulars	Frequency	Percentage
Working Women	205	100
Age		
21-30	114	55.6
31-40	62	30.2
41-50	23	11.2
Above 50	6	2.9
Annual Household Income		
Less than 300000	42	20.5
300001 -600000	101	49.3
600001 -900000	44	21.5
More than 900000	18	8.8
Occupation		
Service	157	76.6
Business	21	10.2
Profession	27	13.2
Marital Status		
Married	139	67.8
Unmarried	66	32.2
Education		
Undergraduate	2	1.0
Graduate	39	19.0
Post Graduate	164	80.0

For the present study Analysis of Variance is also performed with an objective to understand the association between the customer satisfaction and brand loyalty.

For the same the following hypothesis was framed:

Ho: There is no relationship between the customer satisfaction and brand loyalty.

H1: There is a relationship between the customer satisfaction and brand loyalty.

Table 3 indicates the analysis of variance for customer satisfaction and brand loyalty. As seen in Table 3 the significance values of 8 statements are statistically significant i.e. are either 0.05 or less than 0.05. Hence for all these statements the null hypothesis cannot be accepted. This means that for these statements there is a relationship between the customer satisfaction and brand loyalty.

Table 3: ANOVA of Customer Satisfaction and Brand Loyalty

Statements		Sum of Squares	df	Mean Square	F	Sig.
I will choose this brand again	Between Groups	6.714	2	3.357	9.587	.000
	Within Groups	70.730	202	.350		
	Total	77.444	204			
This brand is the best choice	Between Groups	4.488	2	2.244	7.741	.001
	Within Groups	58.556	202	.290		
	Total	63.044	204			
I am loyal to this brand	Between Groups	6.783	2	3.391	11.114	.000
	Within Groups	61.637	202	.305		
	Total	68.420	204			
I will recommend this brand to others	Between Groups	3.273	2	1.636	4.609	.011
	Within Groups	71.722	202	.355		
	Total	74.995	204			
I am intended to purchase this brand again	Between Groups	6.986	2	3.493	12.587	.000
	Within Groups	56.058	202	.278		
	Total	63.044	204			
This brand is first and preferred choice of mine	Between Groups	4.835	2	2.417	6.101	.003
	Within Groups	80.043	202	.396		
	Total	84.878	204			
I will encourage others to buy products from this brand	Between Groups	11.020	2	5.510	9.434	.000
	Within Groups	117.984	202	.584		
	Total	129.005	204			
I will speak positive about this brand	Between Groups	4.374	2	2.187	9.003	.000
	Within Groups	49.070	202	.243		
	Total	53.444	204			

Ho: There is no relationship between the behavioural loyalty and attitudinal loyalty.

H1: There is a relationship between the behavioural loyalty and attitudinal loyalty.

Table 4 indicates the analysis of variance for the behavioural loyalty and attitudinal loyalty. As seen in table 4 the significance values of all 5 statements are statistically significant i.e. are either 0.05 or less than 0.05. Hence for all these statements the null hypothesis cannot be accepted. This means that for these statements there is a relationship between the behavioural loyalty and attitudinal loyalty.

Table 4: ANOVA of Behavioural Loyalty and Attitudinal Loyalty

Statements		Sum of Squares	df	Mean Square	F	Sig.
I will recommend this brand to others	Between Groups	25.942	3	8.647	35.434	.000
	Within Groups	49.053	201	.244		
	Total	74.995	204			
I am intended to purchase this brand again	Between Groups	34.222	3	11.407	79.551	.001
	Within Groups	28.822	201	.143		
	Total	63.044	204			
This brand is first and preferred choice of mine	Between Groups	24.123	3	8.041	26.603	.000
	Within Groups	60.755	201	.302		
	Total	84.878	204			
I will encourage others to buy products from this brand	Between Groups	44.832	3	14.944	35.685	.011
	Within Groups	84.173	201	.419		
	Total	129.005	204			
I will speak positive about this brand	Between Groups	14.865	3	4.955	25.815	.000
	Within Groups	38.579	201	.192		
	Total	53.444	204			

Reliability Test

A scale was developed to measure the customer satisfaction and brand loyalty. Each question was five point Likert scale ranging from strongly disagrees to strongly agree. In order to test reliability Cronbach's alpha was run on a sample size of 205 customers. The Cronbach Alpha for these eight statements is 0.892 and reached conventional standards for scale reliability.

Table 5: Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	N of Items
.892	8

Empirical Results

Building long lasting relations with customers has become a critical strategy for organization in these competitive markets. Companies need to focus on increasing number of loyal customers which is possible if the customers are satisfied. Table 3 indicates statements of brand loyalty researchers have identified that if the customers are satisfied they will recommend brand to others and also intended to buy same brand again. Customers build behavioural or attitudinal loyalty based on their behaviour and attitude towards brand after repeat purchase. Table 4 indicates relationship between behavioural loyalty and attitudinal loyalty. This shows that if the customers are satisfied with the products their behaviour and attitude towards the brand will become positive.

Therefore it is proposed that the relationship between customer satisfaction and brand loyalty gets influenced with type of loyalty. i.e. behavioural or attitudinal. The present paper analyses the association between customer satisfaction and brand loyalty. Further research can be undertaken to provide empirical evidence influencing customer satisfaction.

Limitations of the study

The current study is limited to the working women consumers using cosmetic products in the State of Gujarat. Also there are only two cities considered for analysis viz: Vadodara and Ahmedabad. The analysis is limited to 205 sample size. The researchers wish to address these limitations in their future work as mentioned in the next section.

Managerial Implications

The current study will be of great help to cosmetic industry. The organizations get an idea that working women are more conscious about their beauty and social appeal. Women are also behaving selective before choosing cosmetic products from different brands. Thus marketer should focus on quality, price, product variety and trust of the customers so that they will be satisfied and will become brand loyal.

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A Study of Personalization Effect on Users' Satisfaction With E-Commerce Websites

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Darshana Desai : Research Scholar, Gujarat Technological University, Ahmedabad; Asst. Professor, Indira College of Engineering & Management, Department of MCA, Pune. Email: darshana.j.desai@gmail.com

Abstract

E-commerce websites design and its usage has been proliferated over the last decade, and has become an integral part for doing business, in addition to being a convenient medium for users' shopping experience. With growth of information on e-commerce website, information overload leads cognitive limitation of users in information processing and decision making. Personalization has emerged as a strategy to attract users and manage relationship with customers when competition is keen in the market. Different personalization strategies have been developed and adopted with the intention of high return but little is known about the effect of different personalization dimensions and strategies on users' decision making. However, this has resulted in a gap in research about how best to design the e-commerce web portal with personalization strategies and recognize its effect on user. To address these issues, this study identifies different personalization aspects in e-commerce websites and investigates its effect on its user satisfaction and decision making. We proposed conceptual framework for personalization based on the Stimulus-Organism-Response (S-O-R) model and empirically test the impact of different personalization dimension on users' decision to revisit the e-commerce website. In the present study responses have been gathered from 482 participants who are using and purchasing from e-commerce websites. Exploratory Factor Analysis of the responses explores six factors information, navigation and presentation personalization as stimulus, and utilitarian, hedonic experience as organism and satisfaction as response. CFA confirms the proposed structure with S-O-R with all factors. Structural Equation Modelling (SEM) is used to validate the proposed research model. The study shows Information and Navigation personalization produces positive cognitive (utilitarian) experience, also presentation and navigation personalization creates positive hedonic experience which leads to higher user satisfaction determining users intention to revisit the e-commerce website.

Keywords: Personalization, Information Personalization, Presentation Personalization, Navigation Personalization

Introduction

With the proliferation of internet usage website has become an integral part of business process. The term information overload is almost synonymous with the e-commerce websites, referring to the sheer volume of information that exists in e-commerce websites and the inability of humans to consume it which leads to frustration if relevant need of the user is not satisfied. E-commerce websites has been proliferated in last one decade and expected to grow 58% by 2018. The growth of e-commerce sites and information to the users has lead to information overload which in turn affect in decision making of the user (Liang et. al., 2007; Tam and Ho, 2006). However, Internet-based interaction poses several challenges to e-commerce, which traditionally established trust relationships between vendor and customers by relying on face-to-face communication (Karimov et al. 2011; Pavlou P.A., 2006). The absence of human assistant, for instance, brings up the well-known one size fits all issue, as in principle all customers would be offered the same solutions by electronic catalogues.

Personalization strategies and technology has been momentous area which is researched and implemented by business owners over last few decades to overcome the problem of information overload and one size fits all issue. Personalization is the process of providing customized information, presentation and structure of the website based on the need of the user. Users' need can be identified by website by explicitly asking questions in the form of feedback or survey or by implicitly analyzing their behaviour of browsing website. Previous research has also found that personalized services are powerful in handling information overload and one size fits all issue (Liang et al. ,2007; Liang et al., 2009, Fan and Poole 2006) and in making web sites more useful to users and in helping online businesses establish personal relations with their customers (one-to-one marketing and CRM).

Personalization has drawn increasing research attention from both academia and industry (Fan and Poole, 2006). Personalization has been studied for its interdisciplinary characteristics in various academic fields, such as management, marketing, cognitive science, information systems (IS), and computer science. In industry, a lot of personalization systems, such as the recommender systems of Amazon.in, eBay.in and other e-commerce websites or the customization tools of Yahoo.com (MyYahoo) and gmail.com, have been implemented in practice. This wide range of research has made it possible to develop a variety of personalization strategies that are different in their elements, such as the subject (who does the personalization), the object (what is personalized) of personalization and to what level (1:1 or 1:N). These are the dimensions of personalization in this research. Previous research has focus on technicality aspect of web personalization and very little research has been done behavioural aspects of different personalization dimension. Different Personalization strategies are used with the motive of high return on investment for designing e-commerce websites, but little research is done on effect of different strategies on user. There is still need in research, how best to design the e-commerce website with different personalization aspects and identify its impact on users' satisfaction and decision to revisit the website. To address this issue, this paper studies different dimension of personalization used in e-commerce websites and empirically test the effect of each dimension on users' satisfaction. It also investigates motivation of the user to revisit or reuse with e-commerce website.

Related Studies

Personalization Research and its dimension

Web Personalization is process of generating tailor made website information and presentation layout by identifying the implicit or explicit need of the user." Users' need can be known by explicitly asking user about the feedback about the website, user registration information or opinion using survey. Another terminology 'customization/Adaptation' is also used interchangeably with personalization. Some researchers use these two terms to discuss the same concept, most researchers suggest that there are differences between them. Some researchers (Murthi and Sarkar, 2003; Arora *et al.*, 2008) have viewed personalization as the point when a firm decides-usually based on previously collected customer data-which marketing mix is most suitable for an individual customer. Book and music recommendations on Amazon.com are a good example of personalization. Customization, however, occurs when a customer proactively specifies one or more elements of his or her marketing mix. MyYahoo at Yahoo.com or gmail.com allows users to specify elements of their home page, which is an example of customization (Arora *et al.* 2008). That is, personalization is regarded as a system or firm-initiated concept, and customization as a user or customer-initiated concept. Meanwhile, other researchers view personalization in a broad sense and see customization as a sub-concept of personalization; we have also believed the customization as a sub-concept of personalization which is initiated by users when system provides the options.

Adomavicius and Tuzhilin (2005a) summarize that "personalization tailors certain offerings (such as content, services, product recommendations, communications, and e-commerce interactions, which is in fact a facet of comparison-shopping agents) by providers (such as e-commerce web sites) to consumers (such as customers and visitors) based on knowledge about them, with certain goal(s) in mind." Fan and Poole *et.al* (2006) define personalization as a process that changes the functionality, interface, information access and content, or distinctiveness of a system to increase its personal relevance to an individual or a category of individuals. Personalization refers to the tailoring of products and purchase experience to the tastes of individual consumers based upon their personal and preference information (Chellapa *et al.* 2005). Personalization is a means of facilitating this ease of use by presenting the customer with a pre-defined service for personal needs.

A few studies (Instone, 2000; Wu *et al.*, 2003; Fan and Poole, 2006; Sunikka and Bragge, 2008; Kwiseok Kwon, Cook Hwan Kim, 2012; Chao Wen, Victor Prybutok & Chenyan Xu, 2011; Thongpapanl *et al.* 2011) provide frameworks for personalization by suggesting dimensions of personalization. According to Fan and Poole (2006) personalization can be seen as three-dimensional implementation choice: what to personalize, to whom to personalize, and who does the personalization. Personalization has been understood as the process that changes the functionality, interface, information(content), or distinctiveness of a system to increase its personal relevance to the individual (Blom and Monk, 2003). It is in this sense the adjustment and modification of those aspects of a website that are displayed to a user in order to match user needs (Wu *et al.* 2003).

Previous research has approached personalization from several angles, which, in summary, we may say answers the questions 'what,' 'how,' 'to whom,' 'who,' 'when,' and 'based on what,' which we have elaborated below:

Table 1: Personalization dimensions of previous research.

Dimensions	Explanation	Study
What should be personalized(object), Who does(subject), What extent(level)	Content , Interface and to whom i.e 1-1/1-N/1-all, who does(system initiated or user initiated)	Kwiseok Kwon, Cook hwan Kim(2012)
What should be personalized Personalize to whom	Content, interface, functionality, Channel, personalization to whom i.e 1-N and 1-1	Chao wen, victor prybutok & chenyan xu (2011)
Perceived risk on intention to buy What should be personalized	User Interface and content Personalization	Narongsak Thongpapanal & Abdul Rehman (2011)
What should be personalized	Information/Content, Interface, Navigation Personalization	WANG Ying(2009)
What should be personalized & Personalize to whom	Content, interface, functionality, Channel , Individuals or categories of Individuals	(Tam Ho 2008)
What should be personalized To Whom Personalize & Who does Personalization	Content, interface, functionality, Channel, 1-1,1-N, Implicit or Explicit	(Fan and Poole 2006)
Who personalizes	Implicit or explicit personalization user or system personalization	(Bunt et al. 2007; Fan and Poole 2006)
When to personalize	Static or dynamic	(Bunt et al. 2004)
Personalize on the basis of what? How to personalize?	Frequent task; usage data, content, structure;	(Bunt et al. 2004)
How much can be personalized	Number of personalization options (e.g. breadth and depth)	(Wu et al. 2003)

(Source: Developed by author, based on Literature review)

The degree of personalization has been scored based on the breadth and depth of the personalization options on offer (Wu et al. 2003). Personalization can also be classified as static or dynamic based on when personalization can be enacted according to the object/objects which personalization has been designed (individual or group) for. Personalization can also be analyzed based on the degree to which personalization is automated or user involved (implicit or explicit). Kwon, K., & Kim, C (2012) identified the four important dimensions for implementing personalization: subject, object, level, and learning method on customer retention—customer satisfaction and customer loyalty.

Personalization in e-commerce

Personalized website is considered as best approach for developing and fostering one to one customer relationship and effective marketing. Various definitions of personalization has been proposed like "Personalization is about building customer loyalty by building a meaningful one-to-one relationship; by understanding the needs of each individual and helping satisfy a goal that efficiently and knowledgeably addresses each individual's need in a given context" ([Doug Riecken, 2000). These definitions cover various aspects of personalization, and several important features of personalization emerge from them. In particular, these definitions state collectively that personalization tailors certain offerings (e.g., content, services, product recommendations, communications, website structure, and e-commerce interactions) by providers (e.g., e-commerce Web sites) to the consumers of these offerings (e.g., customers, visitors, users, etc.) based on knowledge about them with certain goal(s) in mind. The ultimate goal of personalization is a lift in user satisfaction. However, most research into personalization has focussed evaluation on the accuracy of predicted ratings and little agreement has emerged as to what factors, other than prediction accuracy affect user satisfaction.

Previous studies on the effectiveness of personalization

Many researchers have investigated the effectiveness of personalization. Studies from the area of computer science have traditionally measured the performance of personalization systems, such as recommender systems, with accuracy metrics (e.g., mean absolute error, precision, and recall) by comparing the lists from a system and with the users of the system. Studies in IS or cognitive science have revealed the impact of Personalization on the user cognitive process. For example, Tam and Ho (2006) argue that personalization cannot attract new users from high-involvement sites such as network games and online chat rooms. However, the perceived usefulness of personalization is a significant factor in attracting new users. Tam and Ho (2006) also investigate the impact of web personalization on user information processing and decision outcomes. They conceptualize the widely practiced personalization strategies into two variables of content-relevance and self-reference and investigate their impacts on user information processing that consists of attention, cognitive processing, decision, and evaluation. Komiak and Benbasat (2006) examine the effects of perceived personalization and familiarity on cognitive trust and emotional trust in the context of the technology acceptance theory. Studies on Customer Satisfaction Index (CSI) models, such as the American Customer Satisfaction Index (ACSI) (e.g., Fornell *et al.*,1996) and the European Customer Satisfaction Index (ECSI) (e.g., Johnson *et al.*, 2001) reveal that personalization and customization experience results in customer satisfaction, which is a factor of customer loyalty. Ball et al. (2006) revise the original ECSI model and investigate the effect of service personalization on loyalty. They show service personalization has an effect on loyalty, and that effect is both direct and indirect. Nagartok *et al.* (2011) investigates that information which is targeted to an individual customer influences customer satisfaction and purchase intention; customer satisfaction, in turn, serves as a driver to the retailer's online sales performance. Personalization plays an important role on customers' satisfaction (Nagartok *et.al.*, 2011) but different personalization aspects impacts differently on users' decision so, it is very useful to measure the company performance. Kwon, K., & Kim, C. (2012) suggested an interdisciplinary framework that enables personalization system developers to understand the more general aspects of personalization effectiveness and allows marketers to consider the dimensions of personalization implementation from a strategic viewpoint. It revealed the interaction between content personalization and interface personalization, the importance of interface personalization, and the optimal personalization strategy, which consists of one-to-one user-initiated interface personalization and one-to-N or one-to-one content personalization in the case of a news portal site. May Wang (2010) reveals that different personalization dimensions effect differently on users' information processing and its affective reaction.

Gap in Previous Research and Objective of Study (Research Questions)

Personalization has been researched in various interdisciplinary areas like computer science, Information System, Cognitive Science & Human Computer Interaction. Different dimensions of personalization are researched like what to personalize, how to personalize, who does personalization and till what extent personalize the features of websites. As shown in Table 1, the "what" dimension pertains to the object or objects to be personalized (content, interface, structure / functionality / navigation and channel). Different personalization dimensions has been studied in previous research studies, which pertains "what dimension as fundamental for website design which can personalized with information, presentation (Look & Feel) and structure to satisfy need of user. Very little research has been done for effect of these dimensions on users' information processing, satisfaction and decision making to revisit or reuse the website. What to personalize is fundamental study in information System Design, which is researched in this paper. This study identifies answers to the research questions like what are different aspects of personalization and its effect of on users' information processing and its impact on decision making to revisit to the personalized websites.

Personalization and Related Theories

The existing theories of personalization adoption in IT, as summarized by Venkatesh *et al.* (2003), May Wang (2010), have mainly a cognitive orientation. For example, the Technology Acceptance Model (TAM) suggests that the intention to adopt an IT is influenced by the perceived usefulness and perceived ease-of-use of the IT (Davis 1989). The unified theory of acceptance and use of technology (UTAUT) posit that the intention to accept and use an IT is affected by performance expectancy, effort expectancy, social influence, and facilitating conditions (Venkatesh *et al.* 2003). Venkatesh *et al.* (2012) proposed extended unified theory of acceptance and use of technology (UTAUT2), it states that both the TPB (Theory of Planned Behaviour) -based view of habit (i.e., as stored intention) and the more recent automatic activation view of habit (i.e., as a direct link between stimulus and behaviour) are functioning together in determining consumer use of technology and the impact of hedonic motivation on behavioural intention is moderated by age, gender, and experience. Our research model draws its theoretical foundation from the theory of reasoned action (TRA) (Fishbein and Ajzen, 1975), Technology Acceptance Model (TAM) (Davis, 1989), Information Overload theory, UTAUT Venkatesh *et al.*, 2003) and S-O-R theory.

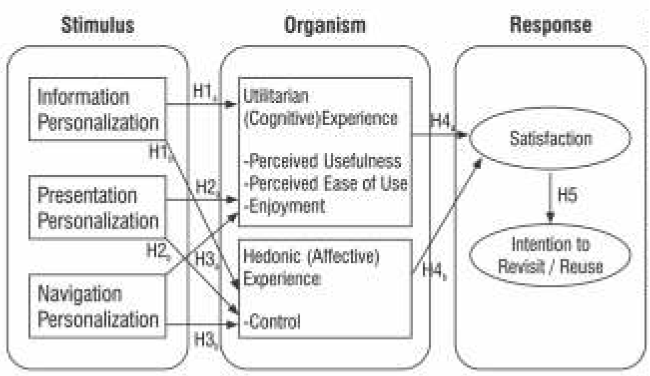
There is increasing interest among researchers in identifying relationships between web stimuli and user behaviour (Lee et al., 2008) in the field of HCI & IS. The S-O-R model has been used to examine the effects of website design factors on online environments (Oh *et al.*, 2008; Wu *et al.*, 2008). Website content has been conceptualized as a mix of stimuli that take the form of text, images, audio, animations or video (Tam and Ho, 2006). Personalized website tenders utilitarian benefits of saving time / effort to user and increase likelihood of finding desired information and hedonic benefit of enjoyment, which in turn will have an impact on intention to return (Koufaris, 2002). Prior research demonstrate that shoppers' affective states, e.g. enjoyment and control, influence several approach behaviours, e.g. willingness to buy, time and money spent, number of items purchased, desire to affiliate with store personnel and acceptance of recommendation (Bitner, 1992; Éthier *et al.*, 2008). Flow theory has been applied in IS, HCI, Marketing, Education, and other research disciplines over more than a decade (Finneran and Zhang, 2005). Website factors are found to affect the consumer's emotional response, such as shopping enjoyment in apply flow theory and TAM (Koufaris, 2002). The next section of this paper elaborates on the foundations of the study; proposed conceptual research model based on related theories and derives the hypotheses to be tested. The research method is then described, followed by a report of the results. The final section discusses the findings and provides concluding comments.

Research Model

This research firstly aims to explore different design aspects of personalization in websites, i.e. information personalization, presentation personalization, and navigation personalization which are web stimuli, secondly impact of personalization aspects (Web Stimuli) on hedonic and utilitarian state of user and its effect on user behavioural intention and Response. Moreover, interaction among cognitive/ hedonic experience and utilitarian/affective reactions are also taken into consideration, which is missing in prior literature.

The proposed research model is derived based on the environmental psychology theory, S-O-R (Stimulus- Organism- Response) theory, Information Overload theory and TAM (Technology Acceptance Model). Definitions of different personalization design aspects are presented based on environmental psychology. Impact of different aspects of personalization affects on decision making process, is described with cognitive/ hedonic and utilitarian experience of user like perceived ease of use, perceived usefulness, enjoyment and control. User with positive hedonic and utilitarian experience has more satisfaction and is likely to revisit / reuse the personalized websites. Hypotheses are proposed to address the research questions.

Figure 1: Research Framework



(Source: Developed by author, based on Literature review)

Hypotheses Development

Web personalization is the strategy to deliver the right content to the right person at the right time. Personalization is the extent to which a site is perceived to provide personalized information, interface, and navigation to the unique needs of each user (Wang, 2010). Information personalization is tailored content of website offered to user in the form of product recommendation and ratings. Personalized information is generated based on users implicit need which is identified based on users' navigation behaviour, search pattern or is the extent to which information can be adjusted according to user requirement. Personalized information can also be generated by explicitly asking user about their requirements in the form of feedback or demographic information stating their likings and preferences. Presentation personalization is the extent to which website interface can be modified according to users' implicit or explicit requirements (e.g. colour, layout, background, font, themes etc.). Navigation personalization is the extent to which navigation of website can be modified in according to user requirement (e.g. new tabs and re-organized the elements to new tabs). User can reorganize the website structure by creating new categories and move information into them based on his preferences specified explicitly or implicitly by website designers by analyzing users profile.

Research in consumer behaviour and IS have been theorized and found various constructs related to hedonic and utilitarian motivation (e.g enjoyment; perceived ease of use; usefulness; control) are important in developing behavioural intention to use the technology (Venkatesh *et. al.*, 2012; Wang, 2009; Brown and Venkatesh, 2005, Van der Heijden, 2004; Venkatesh, *et.al*, 2003). Information, Navigation and Presentation personalization stimulates user differently and develop positive or negative utilitarian and hedonic attitude towards it based on its experience. Personalization features serve as the environmental stimulus, and evoke utilitarian and cognitive experience of user which satisfies user. User with higher satisfaction is likely to continue to use the website. Flow and TAM theory serve as the major theory in proposing the hypotheses.

Personalization and Utilitarian experience (Perceived Ease of Use, Usefulness, and Enjoyment)

Information Personalization refers to the degree to which customers are provided with uniquely tailored information on the basis of their own individual needs as gathered from the consumer's interaction with the provider (Chellappa and Sin, 2005; Liang *et al.*, 2007). Personalized content decreases the cognitive effort needed in order to assess the information and personalized customer services, relevant information and customized content can offer much convenience to users and generate higher perceived usefulness as compared to non-personalized ones (Liang *et.al.*, 2012; Chau and Lai, 2003). Users are more receptive towards personalized information provided with self referent messages, relevant content (recommendations and ratings) and are found more useful which is elaborated to a larger extent resulting in more and stronger memory traces (Liang *et al*, 2012; Tam and Ho, 2006). Personalized website design is with high task relevance, which enables the searching or browsing task by providing the necessary flexibility to find information easily, such as re-organized the structure of the elements. Low task relevant cues like user interface presentation with positively affect the organism, e.g. pleasure, enjoyment and user experience flow with the system (Wang, 2010; Koufaris, 2002; Eroglu *et al.*, 2001). Information and navigation personalization are high task relevant since they directly improve user's effectiveness and efficiency in retrieving information with enhanced utilitarian experience. Therefore, if personalized information can provide relevant content, self relevance and larger range of choices to user, will lead to more perceived usefulness, increases ease of use by reduced cognitive efforts of user. User experiencing perceived usefulness of information and ease of use of website are more likely to enjoy using e-commerce website and creates positive shopping experience. So we can say that users' cognitive/utilitarian experience is associated with perceived usefulness, ease of use and enjoyment. Therefore, we propose hypotheses:

H1a Information Personalization is positively associated with users' Utilitarian (Cognitive) attitude/experience

Navigation personalization is closely related to the cognitive factors of perceived usefulness and ease of use (Wang 2009) so we propose:

H2a Navigation Personalization is positively associated with users' Utilitarian (Cognitive) attitude/experience

Modification of the interface to users' need helps reduce information processing complexity and facilitate the effectiveness and efficiency with which user can personalize a website (Kamis *et al.*, 2008). When there are more choices in modifying the presentation feature, e.g. layout and background, the higher level of personalization will give more flexibility in alleviating the complexity. Therefore, more presentation personalization facilitates the user task effectively. Personalized interface induce positive cognitive feeling in user with improved aesthetics, finds ease of use and enjoy operating with the personalized system (Monk *et al.*, 2007). So the hypothesis is :

H3a Presentation Personalization is positively associated with users' Utilitarian (Cognitive) attitude/experience

Personalization and Hedonic experience (Control)

Hedonic experience is driven by users' intrinsic feeling and arousal as response to use of the website. Personalized information can be generated with wide variety of choice presented to get the personalized content, helps user in information search and reduces efforts. Control is deep intrinsic feeling of user which provides the user flexibility to have command over information access, website interaction and its presentation with good look and feel. This can be provided by explicitly asking users need and providing user different choices to customize content, website user interface (font, themes, color etc) and structure with related choices in (news, products etc). Personalization provided with the choices to users generates high level of perceived control and users experience flow with personalization process (Koufaris, 2002) are more likely to have comfort level and enjoy (Manuel and Joaquina, 2004) the interaction with the website. So we postulate hypotheses

H1b Information Personalization is positively associated with users' Hedonic (Affective) attitude/experience

H2b Presentation Personalization is positively associated with users' Hedonic (Affective) attitude/experience

H3b Navigation Personalization is positively associated with users' Hedonic (Affective) attitude/experience

Personalization and Satisfaction

Many studies in IS have dealt with investigating the importance of information and system quality and how they influence users' behavioural and attitudinal outcomes (DeLone & McLean, 2003; Nelson *et al.*, 2005; Palmer, 2002; Tsekouras *et al*, 2011). These construct are closely related to users' satisfaction (Abdinnour-Helm *et al.*, 2005). Satisfaction has been shown to be a driving force in online purchases and is therefore of critical interest to online marketers (Yoon, 2012). Research shows that accurate personalization process reduces information overload, increases cognitive efficiency, performance and satisfaction (Liang *et al.* 2007, Kwon *et al.* 2012 Thongpapanl *et al.* 2011). Users' hedonic attitudes, utilitarian attitudes are developed with the positive experience with website which plays a stronger role in influencing their satisfaction. (Yoon *et al.* , 2012). So we propose that:

H4a Users' Satisfaction is positively associated with users' utilitarian experience

H4b Users' Satisfaction is positively associated with users' hedonic experience

Satisfaction and Intention to Return

Intention to return or revisit to website is mainly driven by satisfaction with mediating feeling of trust (Dabholkar 2012).So we hypothesize:

H5 Users' intention to return is positively associated with Satisfaction

Research Methodology

Instrument

The survey method was used for data collection to test the research model. The population of overall Internet Web user was examined and chose samples from students, housewives and IT professionals who are frequent users of e-commerce websites. When developing the instrument for this research, some items of constructs information personalization, presentation personalization, and navigation personalization were adapted from previous research studies related to personalization. The instrument also measured the mediating roles of affective (hedonic) and cognitive (utilitarian) experience construct with Perceived Usefulness, Perceived Ease of Use, enjoyment, control, and satisfaction constructs were adapted from previously validated instruments (Ajzen & Fishbein, 1980; Davis, 1989, 1993; Venkatesh, 2001; Venkatesh & Davis, 1996). Five-point Likert scale ranging from (1) "strongly disagree" to (5) "strongly agree" was used in the seven constructs of the questionnaire.

Pilot Study

Pilot study conducted study with 50 online users (Students, IT Professionals, and Housewives) who have made purchase with e-commerce websites. E-commerce websites were selected for study as it adapts all the aspects of personalization features implemented in websites like Amazon.in, eBay.in, flipkart.com. The purpose of the pilot study was to (1) check for the reliability of the questionnaire items, and (2) determine if survey items needed to be clarified or changed. Responses from fifty users were collected through questionnaires by asking them about their general online shopping experiences with personalized websites, their perceptions and attitudes towards different personalization aspect when using e-commerce websites.

Reliability of the Survey Items

The study Cronbach's Alpha coefficient for assessing reliability of survey items (variables) and analysis result indicate that all survey items were in the range of 0.70-0.93 as shown in Table 2, indicating a high level of internal consistency for the scales of questionnaire items used within this survey. According to Nunnally (1978), reliability coefficients of 0.70 or more are considered as a criterion for an internally consistent scale constructs of survey items. Thus, all survey items were reliable and appropriate to use in an actual research study.

Data Collection and Descriptive Statistical Analysis

580 responses were collected from which analysis of 549 valid responses of online users of e-commerce sites having web personalization features in India is done; out of 549 samples of this study, the most commonly browsed or popularly consumed e-commerce website was flipkart.com with 299 people (54.7%), followed by amazon.in with 173 people (31.6%), snapdeal.com with 38 people (6.9%) and ebay.in with 28 people (5.1%). In terms of gender, men accounted for 326 people (66.4%), and women accounted for 165 people (33.6%). In terms of age, people at the age ranging from 18-25, 26-35 and 36-50 years old were the most, accounting for 424 people (77.5%) , 81 people (14.8%) and 40 people (7.3%) respectively. In terms of education, those with a university education accounted for the majority with 463 people (73.40%), followed by those higher than

graduate degrees with 144 people (22.80%). As for occupation, students were the most with 392 people (71.3%), followed by occupation as service with 118 people (21.6%) and others with self employed, housewife and retired personnel with 37 people (6.8%).

Data Analysis and Results

Exploratory Factor Analysis (EFA)

Exploratory Factor Analysis method was adopted to validate the number of factors in the study; with Extraction method maximum likelihood and rotation method with promax using Kaiser's normalization (Table 2) revealed six factors explaining 59% of total variance and Eigen value greater than one. The items with factor loading greater than value (.5) and above were considered in the factors or construct identification for the study. The six identified factors are information personalization, navigation personalization, and presentation personalization, utilitarian hedonic experience of user, control and satisfaction. KMO Bartllet Test value is .933 which shows good sample adequacy.

Confirmatory Factor Analysis

Confirmatory Factor Analysis indicates the model fit for the proposed hypothesized structure with respect to data with different indicator. The analysis shows chi-square value Chi-square = 625.813 with Chi-square = 625.813, Degrees of freedom = 281 and Probability level = .000. Since the chi-square indicator is highly dependent on sample size which is very high 547 in the study, we should look at the other indices for guidance regarding the appropriateness of the model fit. All goodness-of-fit indicators reached ideal level (Goodness of Fit Index (GFI)=0.919, Root Mean Square Residual (RMR) =0.031, , Root Mean Square Error of Approximation's (RMSEA)=0.047, Normed Fit Index (NFI) =0.897, Comparative Fit Index (CFI =0.940) which shows good model fit for the proposed model. (Byrne, 2006).

Table 2: Construct with Cronbach alpha & factor loading scores

			Factor					
Constructs (Factors)	Items (Indicators)	Cronbach Alpha	HED_UTIL EXP	SAT	NP	IP	PP	CON
Utilitarian Experience	PEU4	.898	.895					
	ENJ2		.840					
	ENJ1		.739					
	PEU1		.720					
	PEU2		.604					
	INT1		.600					
	PEU3		.593					
	PU1		.562					
Satisfaction(SAT)	SAT1	.768		.762				
	SAT2			.688				
	SAT6			.633				
	SAT3			.629				
Navigation Personalization (NP)	NP2	.767			.669			
	NP1				.594			
	NP4				.588			
	NP3				.561			
Information Personalization (IP)	IP2	.747				.690		
	IP3					.671		
	IP4					.608		
	IP1					.547		
	IP5					.529		

Presentation Personalization (PP)	PP1	.748					.654	
	PP2						.624	
Hedonic Experience (Control)	CON2	.724						.772
	CON1							.552
		Extraction Method: Maximum Likelihood. Rotation Method: Promax with Kaiser Normalization.						

(Source: Primary data)

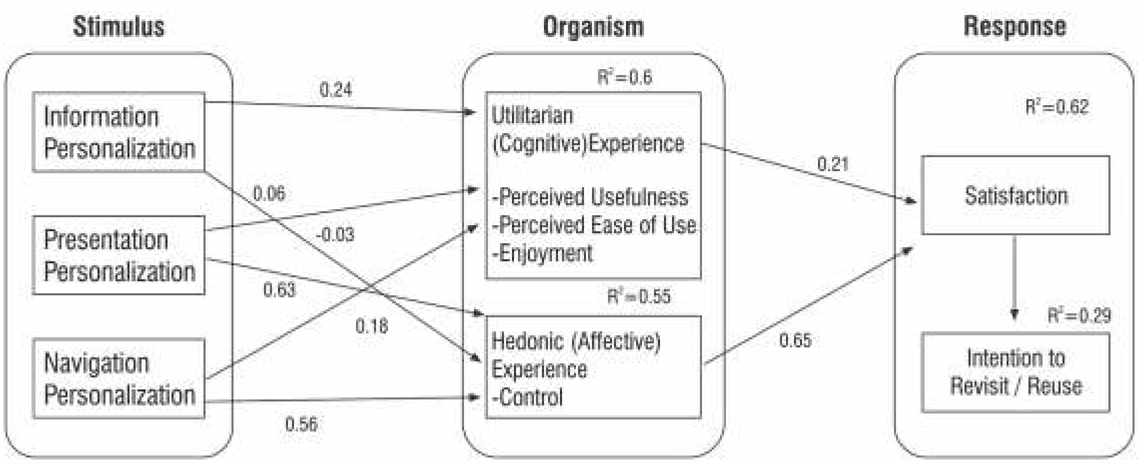
Structural Equation Modelling & Hypotheses testing

Structural Model SEM was employed to analyze the proposed research mode and tested the various hypotheses proposed in this paper (Anderson & Gerbing, 1988). Structural equation modelling (SEM) analysis was chosen over regression analysis, because SEM can analyze causal relationship between constructs with all of the paths in one analysis (Barclay et al. 1995; Gefen et al. 2000). Hypothesis testing results shown in Figure 2 depicts significant positive relation of Information, Navigation & Presentation Personalization with Utilitarian experience of the user and significant positive relation of Presentation & navigation personalization with Hedonic Experience (Control). Results also shows that users with high hedonic and utilitarian experience are more satisfied and are likely to revisit or return with the e-commerce website.

Table 3: Hypothesis testing results and standardized regression weights

Hypothesis	Estimate	S.E	C.R.	P Label	Hypothesis Testing Result
H1a : IP->Utilitarian Experience	.239	.036	7.627	***	Significant
H1b : IP->Hedonic Experience (Control)	.063	.036	1.906	.057	Not Significant
H2a : PP->Utilitarian Experience	-.003	.042	-.068	.946	Not Significant
H2b : PP-> Hedonic Experience	.180	.042	4.092	***	Significant
H3a : NP->Utilitarian Experience	.627	.046	14.096	***	Significant
H3b : NP-> Hedonic Experience	.560	.046	11.863	***	Significant
H4a : Hedonic Experience->Satisfaction	.213	.026	6.752	***	Significant
H4b : Utilitarian Experience->Satisfaction	.650	.025	20.581	***	Significant
H5 :Satisfaction-> Intention to Revisit	.542	.058	15.080	***	Significant

Figure 2: Hypothesis testing result with Structure Equation Modeling



(Source: SEM Output)

Discussions

This study has addressed two related questions what personalization design aspects and how it impact on utilitarian and hedonic experience determining users' satisfaction, intention to continue with the e-commerce websites. Users experience higher utilitarian state (perceived ease of use, perceived usefulness, enjoyment) with more information and navigation personalization. The users' state with higher cognitive experience is more satisfied and is likely to revisit the website. Also presentation and navigation personalization induces higher level of hedonic experience (Control) with the website is more satisfied and are likely to reuse the website. Among decision variables perceived ease of use, perceived usefulness and enjoyment contribute strongly with one factor utilitarian (cognitive) experience of user and found to be antecedent factor determining continue to use the website. Personalized website design is categorized with high task and low task relevance cues. High task relevance enables the user search and browsing experience by providing the necessary flexibility to find information easily, such as by personalized re-organized structure of the search elements. Low task relevant cues of a website includes features by providing choice of background color, theme, font size, style and other location related functionalities. Information personalization and navigation personalization are high task relevant since they directly improve user effectiveness and efficiency in retrieving information also both are related to the utilitarian (cognitive) factors of perceived usefulness, perceived ease of use and enjoyment. Presentation personalization however are related to hedonic experience of the user as user explicitly provide choices in the form of user interface personalization with fonts, themes, look & feel which is normally done with the user preference and user can also control it provided customization choices.

Also information personalization shows insignificant impact on users' hedonic experience of control, as information personalization user can only control with the help of different choice of filtering of information provided to the user which user uses by his need which user may not aware of his need. It is likely that when user visits the website portal for the first time, initial information provided are based on the profile of the user which may not referred to their need, often provides user with more generalized form to process it effectively (May Wang, 2010). Presentation personalization impact negatively and insignificant on users utilitarian experience of perceived ease of use, usefulness and enjoyment as user need varies with the emotional state (ref.) and which users are likely to control website user interface as per their interest and state of mind while using website so presentation personalization is more significantly related to control (hedonic) state of the user.

Conclusion

This study answers two research questions stated in the beginning the paper with the finding that information, navigation and presentation personalization are distinct aspect of personalized website design, and play different role in generating utilitarian (Cognitive) and hedonic experience of user. Information personalization and navigation personalization reduces users cognitive load and increases efficiency with reducing time to search for needed information. User with high navigation personalization increases users satisfaction with high level of cognitive and hedonic experience which motivates user to revisit the website. Presentation personalization also produces higher hedonic state of the user experience as users are likely to customize user interface as per their need which is dependent on users varied need. Therefore, the questions what personalization design aspects and how these aspects impact are investigated thoroughly in this study with e-commerce web portal. This study provides practical implications to e-commerce website vendors as well as designers. This research has shown that it is important to increase positive utilitarian and hedonic experience of user with providing effective personalization features to increase the users' satisfaction which in turn induces intention to visit the personalized e-commerce website portal. This research proves the importance of paying close attention to personalized information system design and website structure. In future we extend this study to investigate the changing role of personalization features as user gains more experience.

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Customer Satisfaction on the Different Services of Mobile Telecom Operator Companies in India - An Evaluation

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Mohd. Fasi : Assistant Professor, The Crescents College of Business Management, Gorrekonta, Warangal, Telangana. Email : mohdfasi34892@gmail.com

Abstract

The purpose of the present research study is to measure the customer satisfaction regarding the different services of the mobile telecom operator companies in India. The mobile telecom sectors are growing rapidly and the contribution of this sector to economic development is very significant. The study surveyed 150 users' opinions to determine the satisfaction level regarding the different services of the mobile telecom operator companies in India. On the basis of findings it is evident that the most of the respondents opined that they are moderately satisfied of getting the different services of the mobile telecom operator companies in India.

Keywords: Customers' Satisfaction, Services, Mobile Telecom Company, India

Introduction

Customer satisfaction depends on a product's perceived performance developing value to a beneficiary's expectation. If the product performance falls short of the beneficiaries expectations the beneficiary dissatisfied if the performance match the expected beneficiary satisfied. If the performance exceeds expectations the beneficiary is delighted. Outstanding marketing companies go out of their way to keep their customers satisfied. Customer's satisfaction makes repeat access and they tell others about their good experience with the product the key is to match customer's expectations with companies' performance. Smart companies aim to delight customer by providing only what they can deliver than delivering more than they promise. When it comes in the field of service sector like telecommunication services, customer satisfaction is the core indicator to achieve success. If customers are satisfied with the given services to them they can continue the consumption of that company otherwise they immediately switch to alternate service provider to satisfy their desires.

The origin of telecom operator services in India – An overview

The first experimental electric telegraph line was started between Calcutta and Diamond Harbour in November, 1850. The visionary behind this landmark was Dr. William O' Shaughnessay –credited to pioneer telegraph and telephone in India. The successful working of this experimental lime led to the construction of 4000 miles of telegraph line connecting Calcutta and Peshawar in the north via Agra and Mumbai through Sindhwa Ghats, Mumbai and Chennai in the south as well as Ooctacamund and Bangalore. A regular Telegraph Department was set up in 1854 when the Telegraph Act was enacted and telegraph facilities were thrown open to public traffic. Dr. O' Shaughnessy's continual innovative perusals propelled him to the coveted post of the first Director General. The significant leap, which really set the telecom ball rolling, was the establishment of Indo-Ceylon link. The Indo-Ceylon cable was laid in 1858, in 1865 the first Indo-European telegraph communication was effected in 1873 Duplex telegraphy was introduced between Bombay and Calcutta. In 1875, ITD supplied the first private telephone line and two years later it erected telegraph line between Srinagar and Gilgit on behalf of Maharaja of Kashmir. In the historical archives, the year 1888 has vital importance. It was in this year that the Indo-European Telegraph Department was merged with Indian Telegraph Department. In 1895, phonograms were introduced for the first time at Bombay and Calcutta and in 1902 the first wireless Telegraph Stations was established between Saugor Islands and Sand heads and a year, the Department Wireless Telegraph was introduced.

The tradition of milestone years was now gaining momentum. 1905 can be termed as the cornerstone of today's telecom profile. It was in this year that the control of the Telegraph Department was transferred from PWD to Commerce & Industry Department. In 1907, women signalers were employed for the first time. In 1914 the Postal and Telegraph Departments were amalgamated under a single Director General. At the same the control of the P & T Department was reverted top PWD. The year also witnessed the opening of the first automatic exchange at Simla with a capacity of 700 lines and 400 actual connections. A major reorganization of the department took place when the accounts of the Indian Posts and Telegraphs were reconstituted to examine the true fiscal profile of the Department the attempt was to find out the extent to which the department was imposing a burden on the taxpayers and bringing in revenue to the Exchequer and how far each of the four constituent branches, namely postal, telephone and wireless, were contributing.

Radio Telephone Communications between England and India were opened in 1933: Indo-Burma Radio Telephone Service started functioning between Madras and Rangoon in 1936. Deluxe Telegrams with foreign countries were introduced in 1937; Bombay –New York wireless telegraph service was commissioned in 1914; Hindi telegram in Devnagari script was introduced and won your telephone scheme was inaugurated in 1949. The year 1950 saw the Indian telegraph and Radio/Wireless telephone service span its wings across frontiers. "Own your telephone exchange" scheme began to operate in 1950. The first coaxial route between Delhi and Agra and the first Subscriber Trunk Dialing (STD) route between Kanpur and Lucknow were commissioned. In the 1950 and 60's while the Beatles wave was sweeping the world. In the 1960's the first microwave route between Calcutta and Asansol was opened. The 1970's witnessed the installation of SPC Gateway Telex Exchange and introduction of International Subscriber Dialed Telex Service and commissioning of the first Optic Fiber System for local junction in Pune. The 1980's completely established Indian Telecom as the frontrunner. In one giant leap, the universe shrinked the first satellite earth station for domestic communications was set up at Secunderabad. The 1990's saw the revolution in the Indian telecom sector with the launch of cellular services, the government gave various incentives to the service providers to improve the connectivity on one hand and also lower the prices in the NCD & ICD sector. This period saw the emergence of contrasting technology plat forms namely GSM and CDMA technologies. It also saw the advent of the internet and broad band services in our country. As the time of the century India, stood at the gateways of telecom revolution.

Telecom operator companies in India in the present scenario

The start of the 21st century saw the explosion of telecom services and Indian market started to show remarkable growth rates with respect to addition of new subscribers. This period also saw the consolidation of the various services providers at regional level and by 2006 there appeared 4 major cellular providers in the GSM space namely

- AIRTEL
- BSNL- CELLONE
- VODAFONE (HUTCH)
- AIRCEL
- IDEA along with a few fringe players.

On the CDMA front the consolidation saw the emergence of two rivals namely Tata-Indicom and Reliance Infocom.

Review of Literature

An attempt is made to collect the information from the previous researches and relevant studies conducted in the area of customer satisfaction and Telecom Operator Companies. The review of literature has been presented in a summarized and precise manner.

- **In the area of Customer Satisfaction**

Customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date (Johnson and Fornell 1991). This overall satisfaction has a strong positive effect on customer loyalty intentions across a wide range of product and service categories, including telecommunications services (Fornell 1992; Fornell et al. 1996). As an overall evaluation that is built up over time, satisfaction typically mediates the effects of product quality, service quality, and price or payment equity on loyalty (Bolton and Lemon 1999; Fornell et al. 1996). It also contains a significant affective component, which is created through repeated product or service usage (Oliver 1999). In a service context, overall satisfaction is similar to overall evaluations of service quality. Compared with more episode-based or transaction-specific measures of performance, overall evaluations are more likely to influence the customer behaviors that help a firm, such as positive word of mouth and repurchase (Boulding et al. 1993). Historically, satisfaction has been used to explain loyalty as behavioral intentions (e.g., the likelihood of repurchasing and recommending). However, Verhoef (2003) argues that longitudinal data that combine survey measures with subsequent behavior should be used to establish a causal relationship between perceptions and behavior. For example, Bolton (1998) finds a positive effect of overall customer satisfaction on the duration of the relationship for cellular phone customers, and Bolton and Lemon (1999) show a positive effect of overall satisfaction on customer usage of telecommunications subscription services. In a large-scale study of automotive customers, Mittal and Kamakura (2001) show a strong, albeit nonlinear, effect of customer satisfaction on repurchase behavior, such that the functional form relating satisfaction to repurchase is marginally increasing. They also find large differences in the satisfaction–retention relationship across customer characteristics. On the basis of these studies, we expect customer satisfaction to have a significant influence on customer retention that varies across customers.

- **In the area of Telecom Operator Companies**

Muller (1990) in his research focuses that the success of the mobile commerce can be attributed to the personal nature of wireless devices. Adding to this are its unique features of voice and data transmission and distinct features like localization, feasibility and convenience. The sustained growth of the mobile commerce around the world has been more because of the transfer of technology according to the needs of local geography. National Telecom Policy (1999) projected a target 75 million telephone lines by the year 2005 and 175 million telephone lines by 2010 has been set. Indian telecom sector has already achieved 100 million lines. With over 100 million telephone connections and an annual turnover of Rs. 61,000 crores, our present tele density is around 9.1%. The growth of Indian telecom network has been over 30% consistently during last 5 years. According to Wellenius and Stern (2001) information is regarded today as a fundamental factor of production, alongside capital and labor. The information economy accounted for one-third to one-half of Gross Domestic Product (GDP) and of employment in Organization for Economic Cooperation and Development (OECD) countries in the 1980s and is expected to reach 60 percent for the European Community in the year 2000. Information also accounts for a substantial proportion of GDP in the newly industrialized economies and the modern sectors of developing countries. Videsh Sanchar Nigam Limited (VSNL) 16th Annual Report (2002) India like many other countries has adopted a gradual approach to telecom sector reform through selective privatization and managed competition in different segments of the telecom sector. India introduced private competition in value-added services in 1992 followed by opening up of cellular and basic services for local area to competition. Competition was also introduced in National Long Distance (NLD) and International Long Distance (ILD) at the start of the current decade. World Telecommunication Development Report (2002) explains that network expression in India was accompanied by an increase in productivity of telecom staff measured in terms of ratio of number of main lines in operation to total number of staff. Indian Telecommunication Statistics (2002) in its study showed the long run trend in supply and demand of Direct Exchange Lines (DEL). Potential demand for telecom services is much more than its supply. In eventful decade of sect oral reforms, there has been significant growth in supply of DEL.

Objectives of the study

The present study is undertaken with the main objective of knowing the Customer Satisfaction on the Different Services of Mobile Telecom Operator Companies in India. The other allied objectives are as follows.

1. To study the "Customer Satisfaction" amongst the users of "Telecom Services".
2. To study the 'Satisfaction' level of customers in different "Telecom Services".
3. To make suggestions for improvement of their products & services from the customer's point of view based on this research to fulfill customer's needs.

Research Methodology

The primary data of the study is collected through questionnaires and secondary data was collected through internet, journals and business magazines. A sample of 150 respondents was taken, out of which 50 respondents are students, 50 are businessman and the remaining 50 are service holder. On the basis of annual income, 46 respondents earn 2 to 5 Lakhs, 51 have more than 5 lakhs income and the rest have below 2 lakhs income annually.

Data Analysis and Interpretation

Table 1: The opinions of the respondents regarding the FnF system of the sample mobile telecom operator companies

Response / Parameters	Respondents						TOTAL	
	Students		Businessman		Service Holder			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Highly Satisfied	24	48	25	50	19	38	68	45.33
Moderately Satisfied	17	34	20	40	26	52	63	42
Partly Satisfied	4	8	0	0	2	4	6	4

Neutral	2	4	0	0	1	2	3	2
Dissatisfied	3	6	5	10	2	4	10	6.67
TOTAL	50	100	50	100	50	100	150	100

(Source: Compiled from Primary Data – Through Questionnaire)

Interpretation

According to the analysis, overall 45.33 per cent of the respondents are highly satisfied with the FnF system of the mobile telecom operator companies, 42 per cent of the respondents are moderately satisfied with it. Further, 4 per cent are partly satisfied. However, 8.67 per cent of the respondents are not satisfied with these services. In the study it is clear that more than 90 per cent of the respondents i.e., students, businessman and service holders are satisfied with the available system.

Table 2: The opinions of the respondents regarding the call rate system of the sample mobile telecom operator companies

Response / Parameters	Respondents						TOTAL	
	Students		Businessman		Service Holder			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Highly Satisfied	15	30	18	36	14	28	47	31.34
Moderately Satisfied	23	48	26	52	31	62	80	53.33
Partly Satisfied	4	8	1	2	2	4	7	4.67
Neutral	1	2	1	2	0	0	2	1.33
Dissatisfied	7	14	4	8	3	6	14	9.33
TOTAL	50	100	50	100	50	100	150	100

(Source: Compiled from Primary Data – Through Questionnaire)

Interpretation

The data of Table 2 depicts that, 31.34 per cent of the respondents are highly satisfied with the call rate system of the mobile telecom operator companies, 53.33 per cent of the respondents are moderately satisfied with it. Further, 4.67 per cent are partly satisfied. The remaining respondents are not satisfied with the call rate system. Overall 94 per cent of the service holders are satisfied with the call rate system and 90 per cent of the businessmen are also satisfied. However, students due to their lack of financial assistance prefer to have some more attractive call rate systems.

Table 3. The opinions of the respondents regarding the network facility of the sample mobile telecom operator companies

Response / Parameters	Respondents						TOTAL	
	Students		Businessman		Service Holder			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Highly Satisfied	29	58	32	64	26	52	87	58
Moderately Satisfied	16	32	17	34	19	38	52	34.67
Partly Satisfied	5	10	1	2	3	6	9	6
Neutral	0	0	0	0	2	4	2	1.33
Dissatisfied	0	0	0	0	0	0	0	0
TOTAL	50	100	50	100	50	100	150	100

(Source: Compiled from Primary Data – Through Questionnaire)

Interpretation

The data of Table 3 depicts that, 58 per cent of the respondents are highly satisfied with the network facility provided by the mobile telecom operator companies, and 34.67 per cent of the respondents are moderately satisfied with it. Further, 6 per cent are partly satisfied. The remaining respondents are not satisfied with it. The students and the businessmen are 100 per cent satisfied with the network facility but the service holders' still asking to develop the network system for better voice clarity and for good connectivity.

Table 4: The opinions of the respondents regarding the various offers of the sample mobile telecom operator companies

Response / Parameters	Respondents						TOTAL	
	Students		Businessman		Service Holder			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Highly Satisfied	15	30	18	36	14	28	47	31.34
Moderately Satisfied	23	48	26	52	31	62	80	53.33
Partly Satisfied	4	8	1	2	2	4	7	4.67
Neutral	1	2	1	2	0	0	2	1.33
Dissatisfied	7	14	4	8	3	6	14	9.33
TOTAL	50	100	50	100	50	100	150	100

(Source: Compiled from Primary Data – Through Questionnaire)

Interpretation

The data of Table 4 depicts that, 31.34 per cent of the respondents are highly satisfied with the various offers given by the mobile telecom operator companies, 53.33 per cent of the respondents are moderately satisfied with it. Further, 4.67 per cent are partly satisfied. The remaining respondents are not satisfied with it. In this connection, the students are seeking more offers to communicate freely with their friends, relatives and family. 10 per cent of the businessmen feel that the telecom companies can still provide many potential offers and benefits in order to satisfy their customers.

Table 5: The opinions of the respondents regarding the balance transfer system of the sample mo-bile telecom operator companies

Response / Parameters	Respondents						TOTAL	
	Students		Businessman		Service Holder			
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
Highly Satisfied	20	40	26	52	28	56	74	49.33
Moderately Satisfied	24	48	19	38	10	20	53	35.33
Partly Satisfied	2	4	0	0	7	14	9	6
Neutral	0	0	4	8	5	10	9	6
Dissatisfied	4	8	1	2	0	0	5	3.34
TOTAL	50	100	50	100	50	100	150	100

(Source: Compiled from Primary Data – Through Questionnaire)

Interpretation

The data of Table 5 depicts that, nearly 50 per cent of the respondents are highly satisfied with the balance transfer system of the mobile telecom operator companies, 35.33 per cent of the respondents are moderately satisfied with it. Further, 6 per cent are partly satisfied.

The remaining respondents are not satisfied with the balance transfer facility.

Conclusion

Customer satisfaction of the respondents towards Telecom operating services is high. In purchasing Telecom products family appear to be the prime motivators of the respondents in making their purchase decisions, due to the special offers being targeted by the company at this segment. The mobile service provided by Telecom Operator Companies is used by majority of the respondents and the type of services used by them is depending upon the quality of the service, followed by brand image. The respondents are also satisfied with the call rate system and other services being provided by Telecom Operator Companies. The respondents are paying more attention on the network facilities provided by Telecom Operator Companies. The respondents are desirous of having online bill payment service for convenience as its saves their time, money and effort. They are satisfied with quality and price; moreover it is largely used by people who are offering public cell office facilities.

Limitations of The Study

1. The survey is conducted in Warangal only.
2. As the sample size is 150, the data may not be 100 per cent accurate.
3. As the sample is insignificant to the total population, therefore findings cannot be generalised.

Recommendations

1. Telecom Operator Companies should increase the coverage of it cellular services by installing more towers at strategic points, so that the signal strength increases in indoors.
2. Telecom Operator Companies should create awareness amongst its customers regarding various services that are being offered by it by increasing its sales promotion reach.
3. Attractive schemes for owning the cellular instruments should be launched to attract more customers. Special promotional schemes to be launched especially to target youth segment who take up the new product by having special packages.
4. Online billing should be introduced and regular bill updates to be provided through SMS for the convenience of the customers.

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Ethics for Library and Information Science (LIS) Professionals

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Kevalkumar Patel : Ph. D. Scholar, Rai University, Ahmedabad; Librarian, C. K. Shah Vijapurwala Institute of Management, Vadodara, Gujarat.
Email: library@cksvim.edu.in
Dr. Mahesh R. Darbar : Ph. D. Supervisor, Rai University, Ahmedabad.

Abstract

Library and Information Science (LIS) profession is a service oriented profession where mission of the LIS (Library and Information Science) professional is to provide right information to the right user to right format at the right time. However, because of information explosion, it is very difficult for LIS professionals to provide pin-pointed, exhaustive and expeditious information to the users. Further, information seeking behaviour of users is also fluctuating and thus making the job of LIS professionals more complicated. Information and communication technology has penetrated in every sphere of the library landscape and has even empowered users of the libraries to make both legal as well as illegal use of information. LIS professionals have concern for intellectual property right. All these developments demand that LIS professionals must be equipped with professional ethics so that while taking any decision regarding any issue in the library, they will take the right approach. Thus there is need for inculcating ethical values among the LIS professionals particularly in the present digital information landscape. Developing these ethical values in LIS professionals can be done in a number of ways like through organizing conferences, delivering lectures etc however; LIS professionals can play a pivotal role in this direction. Present paper highlights the ethics and ethical principles for library and information science professionals.

Keywords: Ethics, Professional Ethics, Codes of Ethics, Ethical Principles, Library and Information Science Professionals, Ethics for LIS Professionals.

Introduction

Library and information centers are repositories for humanity's knowledge or information; they are our past, our present, and also our future. They are much more than storehouses for books, and include many other forms of data. The knowledge or information available in libraries must be accessible to all people. Retrieval of particular types of information requires specialized knowledge and database searches that are beyond the capabilities of many users, and particularly of undergraduates starting their university careers. LIS professionals need to share that knowledge or information with users, instructing them on how to use electronic or digital information resources and the Internet so they can do research on their own, while pointing out the limits and problems associated with electronic research.

Libraries from time immemorial are serving the societies by collecting, organizing, preserving and disseminating information available in multiple formats. Libraries as information centers plays a significant role in uplifting a society socially, culturally, intellectually, scientifically, economically by providing information to those who are in need of information. LIS profession is a service oriented profession with a mission and the mission is to fulfill the information needs of the people. Libraries comprise of three elements viz., library staff (LIS professionals), information sources and library patrons. LIS (Librarian) professionals are acting as a link between the library patrons and information sources. In order to make libraries as vibrant institutions library staff has to perform their professional obligations in a right manner so that mission of libraries is achieved without any hindrance. This obligation of LIS to perform in a right manner has given rise to the concept of professional ethics in LIS profession. Let us first discuss the meaning of ethics, professional ethics and then ethical issues in LIS profession.

Ethics: What it means?

The word 'ethics' is derived from the Greek word, 'ethikos' meaning custom or character.

The Webster dictionary defines ethics as, 'the discipline dealing with what is good and bad or right and wrong or with moral duty and obligation'.

Different authors and researchers have defined the term ethics differently. Marnburg, 2000, defines ethics as 'theories about what is right and wrong'. Researchers have defined it as 'critical examination of the standards of good and evil, right and wrong, virtue and vice' (Banerjee, 2005); 'field of moral philosophy

(Boatright, 2009) and 'conception of right and wrong behavior and defining when actions are moral and when they are immoral' (Fernando, 2009).

Ethics has been gaining attention of academicians and researchers around the globe. Since ethics has application in all fields; thus, LIS professionals are also required to abide by ethics as well. The library professions are required to perform their duties in an ethical manner. For this, even many organizations of LIS professionals have adopted codes of professional ethics. Such codes of professional ethics provide LIS professionals with guiding principles and norms to face ethical dilemmas or obtaining solutions to various problems.

Ethical and professional Codes and principles are not meant to replace law or morality but to serve as guidelines for professional conduct. According to Finks (1991), professional ethical codes, values or principles should define the limits of acceptable conduct and give guidance to what kind of actions are regarded as right or wrong in the occupation. The American Library Association Code of Ethics provides broad statements that guide ethical decision making and serve as framework for the profession.

Professional ethics

Professional means a person who has knowledge of some specific fields. Professional ethics encompass the personal, organizational and corporate standards of behavior expected of professionals. Professionals and those working in acknowledged professions, exercise specialist knowledge and skill. How the use of this knowledge should be governed when providing a service to the public can be considered a moral issue and is termed professional ethics.

Professional Ethics is professionally accepted standards of personal and business behavior, values and guiding principles. Codes of professional ethics are often established by professional organizations to help guide members in performing their job function according to sound and consisted ethical principles (www.businessdictionary.com).

Professional ethics is the ethical norms, values and principle that guide a profession and ethics of decisions made within the profession (medical-dictionary).

Need of ethics for library and information science professionals

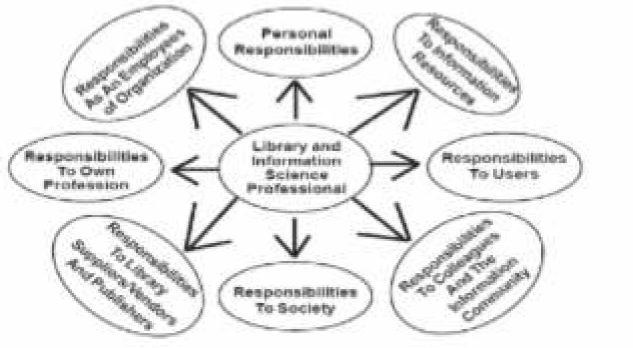
Library and Information Science (LIS) Profession is for public service and therefore require highest standards of honesty, integrity and character. Only those persons should be encouraged to enter in this profession who are interested to help others and provide effective services with help of new technologies in information explosion environment. According to Dr. Ranganathan (1957), "The library profession is a noble profession. It can do no harm to anybody".

As we know that library and information science is an intellectual profession. Intelligence and knowledge will be sharpened with hard work and strenuous efforts. This profession requires 'study' and 'study' throughout the career to keep him/her updated in the information era. He/she has to work hard like a spider to provide highest level of services to users through appropriate and well organized resources; equitable service policies; equitable access, retrieval, storage and dissemination of information: and accurate, unbiased and courteous responses to all requests of users. Thus, professionals must keep service-orientation in their professional work but for this high principle conduct should be framed to guide them. A code of ethics is essential to library professionals which leads the profession towards excellence. According to Foundation of Library and Information Science, "The ethical conduct of information professionals is an affirmation of the critical values of service, respect for others, and the need to improve society. Ethics provides a frame work for conducting essential information functions, instituting policies and developing strategies for service".

The code of conduct lays down the LIS professional's moral responsibilities towards users, information resources, society and the profession. Froehlich (1997) focused on the obligations of library and information professionals to themselves, to their organizations, and to "the larger environment within which information professionals work: (a) social responsibility; (b) obligations between professionals and clients and third parties; (c) obligations between professionals and systems; (d) obligations to the profession; (e) obligations to community or cultural standards". According to Koehler and Pemberton (2000), there are six major elements relevant to information professionals' code of ethics: concern with the rights and privileges of patrons; selection, access, professional practice and relationships; responsibilities to employers; and social and legal responsibilities. The main object of the code of conduct is to guide LIS professionals in maintaining standards of ethical behavior in his relationship with users, profession, colleagues, society, information resources and oneself. It helps to clarify the professional rights, privileges, obligation/responsibilities and their legal bases. It also helps to build a strong moral and ethical foundation of the LIS profession in the information society. The

LIS professionals have eight categories of moral responsibilities as shown in Figure 1.

Figure 1: Eight categories of moral responsibilities for LIS Professionals



Moral responsibilities of library and information science professionals
(Source: Pandya Vaidehi Chandrakant, 2015)

A code of ethics provides a guide of dealing with ethical situations which arises in the course of the job. There are many ethical issues that LIS professionals must deal with when providing information services in libraries. Issues relating to equity of access, intellectual freedom, censorship/privacy, intellectual property, etc. are the major ethical challenges for LIS professionals in the ICT era. The basic goal of LIS professionals has always been to provide access to information to those who need it but ethical questions arise concerned to that. According to Fallis (2007), information ethics is concerned with the question 'who should have access to what information'. He also explains that core issue of information ethics includes intellectual freedom, equitable access to information, information privacy, and intellectual property. "Human beings have a fundamental right to access to expression of knowledge, creative thought and intellectual activity and to express their views publicly" (IFLA, 1999). 'Right of access' and 'equal access for all' also create ethical dilemmas for professionals. Koehler, W. C., et al. (2000) define that "There are differences in which principles are emphasized, but that there is fairly wide agreement about what principles are. For example, library professionals should uphold the principles of intellectual freedom and resist all efforts to censor library resources". It is the prime duty of the library professionals 'to protect each library user's right to privacy and also confidently' and 'recognize, obey and respect Intellectual Property Right'. Froehlich (1997) has proposed three main areas of focus, namely information production (copyright, moral rights, fair use, public lending rights, and related issues); information collection (issues of quality control and censorship); and information retrieval and dissemination (access, privacy and confidentiality).

Ethical principles for LIS professionals

International Federation of Library Associations and Institutions-2007, identifies Ethical Principles for LIS professionals, Librarians and other Information Workers.

Ethical Principles for LIS Professionals: Users Services

• LIS Professionals serve to all users equally in accordance with mandate and legal bases. LIS Professionals offer high quality services to all users.

• LIS Professionals provide users/clients access to holdings and publicly accessible information resources.

• LIS Professionals inform and advise all users/clients objectively, impartially and courteously, and assist them in retrieving the information they need.

• LIS Professionals treat all clients with equal respect, regardless of their origin, race, age, social status, creed, gender or sexual orientation.

• LIS Professionals observe the principles of barrier free accessibility.

• LIS Professionals protect children and youths from contents unsuitable for them according to the Young Persons Protection Act and other legal regulations.

• LIS Professionals respect all clients' privacy. Personal data will be saved only to ensure service delivery and only within the legal framework. Library Professionals will share personal data with other institutions only as required by law.

• LIS Professionals perform for duties in a professional manner regardless of personal opinion and view.

Ethical Principles for LIS Professionals: Other Services

• LIS Professionals encourage the shaping of opinion and the free flow of information as well as the existence of libraries and information services to facilitate free access to all kinds of information resources provided by our democratic society. We reject censorship of content.

• LIS Professionals protect of cultural heritage according to the libraries' collecting mandate.

• LIS Professionals support science and research by providing information, resources and related services, also promote the freedom of science and research.

• LIS Professionals are committed to the principle of lifelong learning in order to improve own competence and the competence of all members of the public. In this context LIS

Professionals see themselves in a continual improvement process to optimize services for users/clients.

• LIS Professionals organize events to promote reading and the active use of information, alone and in cooperation with partners.

• LIS Professionals relationship with suppliers and other business partners is based on a high ethical standard.

• LIS Professionals choose information resources exclusively according to objective criteria, their quality and their suitability to meet the needs of library users/clients regardless of personal preferences and influences of third parties. Library reference services and professional competence guarantee access to all information resources.

• LIS Professionals actively advertise library services and facilities to the members of the public to make them aware of all means of access to public information.

• LIS Professionals provide information on the internet as data and full-texts within the legal limits to increase accessibility.

• LIS Professionals recognize the rights of creators and copyright holders of copyright-protected library and information material.

• LIS Professionals apply their professional competence to preserve heritage holdings for future generations.

• LIS Professionals treat colleagues with fairness and respect, and promote a culture of cooperation, responsible acting and mutual trust.

• Professional independence, respect, fairness, willingness to cooperate and critical loyalty define our interactions with our superiors and superior authorities.

Code of ethics for LIS professionals

Professional Ethics may be defined as a code of conduct written or unwritten for regularity the behavior of a LIS professionals towards himself, society, information resources, institute, colleagues, profession and clients (users).

According to American Library Association, a code of ethics serves in "making known to the profession and to the general public the ethical principles that guide the work of librarians, other professional providing information services, library trustees and library staffs" (www.ala.org).

According to IFLA Code of Ethics for Librarians and other Information Workers, "The Code of Ethics and Professional Conduct is offered as a series of ethical propositions for the guidance of individual librarians as well as other information workers, and for the consideration of Library and Information Associations when creating or revising their own codes". The function of codes of ethics can be described as (www.ifla.org).

• Access to information

The core mission of librarians and other information workers is to ensure access to information for all for personal development, education, cultural enrichment, leisure, economic activity and informed participation in and enhancement of democracy. Librarians and other information workers reject the denial and restriction of access to information and ideas most particularly through censorship whether by states, governments, or religious or civil society institutions. Librarians and other information workers offering services to the public should make every endeavour to offer access to their collections and services free of cost to the user. If membership fees and administrative charges are inevitable, they should be kept as low as possible and practical solutions found so that socially disadvantaged people are not excluded. Librarians and other information workers promote and publicize their collection and services so that users and prospective users are aware of their existence and availability. Librarians and other information workers use the most effective ways to make the material accessible to all. For this purpose they seek to ensure that the websites of libraries and other information institutions comply with international standards for accessibility and access to them is not subject to barriers.

• Responsibilities towards individuals and society

In order to promote inclusion and eradicate discrimination, librarians and other information workers ensure that the right of accessing information is not denied and that equitable services are provided for everyone whatever their age, citizenship, political belief, physical or mental ability, gender identity, heritage, education, income, immigration and asylum-seeking status, marital status, origin, race, religion or sexual orientation. Librarians and other information workers respect language, minorities of a country and their right to access information in their own language. Librarians and other information workers organize and present content in a way that allows an autonomous user to find the information s/he needs. Librarians and other information workers help and support users in their information searching. Librarians and other information workers offer services to increase reading skills. They promote information literacy including the ability to identify, locate, evaluate, organize and create, use and communicate information. They promote the ethical use of information thereby helping to eliminate plagiarism and other forms of misuse of information. Librarians and other information workers respect the protection of minors while ensuring this does not impact on the information rights of adults.

Privacy, secrecy and transparency

Librarians and other information workers respect personal privacy, and the protection of personal data, necessarily shared between individuals and institutions. The relationship between the library and the user is one of confidentiality and librarians and other information workers will take appropriate measures to ensure that user data is not shared beyond the original transaction. Librarians and other information workers support and participate in transparency so that the workings of government, administration and business are opened to the scrutiny of the general public. They also recognize that it is in the public interest that misconduct, corruption and crime be exposed by what constitute breaches of confidentiality by so-called 'whistleblowers'.

Open access and intellectual property

Librarians and other information workers' interest are to provide the best possible access for library users to information and ideas in any media or format. This includes support for the principles of open access, open source, and open licenses. Librarians and other information workers aim to provide fair, swift, economical and effective access to information for users. Librarians and other information workers have a professional duty to advocate for exceptions and limitations to copyright restrictions for libraries. They act as partners of authors, publishers and other creators of copyright protected works. They recognize the intellectual property right of authors and other creators and seek to ensure that their rights are respected. Librarians and other information workers negotiate the most favorable terms for access to works on behalf of their users and seek to ensure that access is not unnecessarily prevented or hindered by the mode of administration of intellectual property laws and that licenses do not override exceptions for libraries contained in national legislation. They encourage governments to establish an intellectual property regime that appropriately respects balance between the interests of rights holders and individuals and the institutions such as libraries which serve them. They also advocate that copyright terms should be limited and that information that has fallen in the public domain remains public and free.

Neutrality, personal integrity and professional skills

Librarians and other information workers are strictly committed to neutrality and an unbiased stance regarding collection, access and service. Neutrality results in the most balanced collection and the most balanced access to information achievable. Librarians and other information workers define and publish their policies for selection, organization, preservation, provision, and dissemination of information. They distinguish between their personal convictions and professional duties. They do not advance private interests or personal beliefs at the expense of neutrality. They have the right to free speech in the workplace provided it does not infringe the principle of neutrality towards users. They counter corruption directly affecting librarianship, as in the sourcing and supply of library materials, appointments to library posts and administration of library contracts and finances. Librarians and other information workers strive for excellence in the profession by maintaining and enhancing their knowledge and skills. They aim at the highest standards of service quality and thus promote the positive reputation of the profession.

Colleague and employer/employee relationship

Librarians and other information workers treat each other with fairness and respect. Librarians and other information workers oppose discrimination in any aspect of employment because of age, citizenship, political belief, physical or mental ability, gender, marital status, origin, race, religion or sexual orientation. They promote equal payment and benefits for men and women holding comparable jobs. They share their professional experience with colleagues and they help and guide new professionals to enter the professional community and develop their skills. They contribute to the activities of their professional association and participate in research and publication on professional matters. Librarians and other information workers strive to earn a reputation and status based on their professionalism and ethical behavior. They do not compete with colleagues by the use of unfair methods.

Conclusion

Ethics for LIS professionals includes: fairness, truthfulness, transparency, accountability and responsibility of these professions towards themselves, users, organization/ institution, peers and society as well. LIS professionals play an extremely vital role as participants in the information society, given that their mission includes gathering, processing, distributing and using information (Fallis, 2007). LIS professionals have an efficiency and skill to pull out a drop of information from the vast ocean of knowledge. If we write a single word in search engine of internet, it results into a list of large number of websites related to that word. All such websites may not be authentic to provide qualitative, appropriate and valuable information. LIS professionals have knowledge, training and expertise to find out and disseminate accurate information to users from those resources in appropriate time. LIS professionals face many critical situations at the time of providing information services to users. At that time they must rely on their professional standards and value of the institute. LIS professionals have to make efforts to raise the social prestige of the profession and recognition of its prospective role in the information era by promoting and following norms and standards of code of ethics.

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A Quick Look On New Companies Act 2013 Act Focusing Corporate Social Responsibility

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Dr. Devajana Chinnappa Nanjunda : Social Exclusion Research Centre, Humanities Block, Mysore University, Mysore, Karnataka.
Email: ajdmeditor@yahoo.co.in

Abstract

There are numerous large corporate houses' who have been vigorously engaged in various CSR activities from many years but regrettably the figure is comparatively less. In order to persuade other companies to take part in an inclusive development of the society through CSR, the Government of India has passed an act under the concept of CSR in the new Companies Act 2013. The Government of India has notified the rules for CSR spending u/s 135 of the New Companies Act 2013 along with Companies (Corporate Social Responsibility Policy) Rules; these obligations primarily come in the form of obligatory amounts companies must add to remediating social evils. This is altogether new obligation; even though companies were allowable, within convinced limits, to make benevolent charity in the earlier period, the New Act is fundamentally self-administered. This paper is based on the review of this act which generated some sort of discussion amongst the companies.

Background

The World Business Council for Sustainable Development in its publication defines "CSR means Making Good Business Sense"; Next Holme and Richard Watts gave the following definition, "Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large". E-Choupals of ITC group that leverages the authority of internet to authorize the small farmers with in order of best opportune, relevant weather information, and practice, clear disclosure of prices and a great deal more. Likewise Jaipur Rugs have been into rising weaving skills among people of distant villages so that they can make a self constant living for themselves. These initiatives have showed up-lifting of disadvantaged sections and allocation of wealth. When TCS is creating software business that aid an illiterate start reading and writing by 40 days, Infosys has been serving student to get computer educated by scheming course circular for them. Aviva, a life insurance firm have started street schools to teach the under opportunity students.

It is argued that Corporate Social Responsibility (CSR) is basically a plan whereby corporations decide voluntarily to contribute to society for a cleaner atmosphere. It's described by the contributions undertaken by corporations to society through its business activities and its social investment. An attempt has been made to analyze the status of CSR and current trend in India to understand its contribution towards inclusive growth. The findings of this study showed that corporate in India have positive perspective towards CSR and also the extent of their involvement in CSR initiatives has been improved. It is emerged from the survey that large scale companies in India have maintained their support for CSR programs. Even micro finance and charity organizations registered less important among CSR programs, are putting more effort into integrate CSR with their business strategy and expanding their support for health care, environmental, education, and sustainability initiatives. In order to persuade other companies to take part in inclusive development of the society through CSR, the Government of India has infact passed an act under the concept of CSR in the new Companies Act 2013. The Government of India has notified the rules for CSR spending u/s 135 of the New Companies Act 2013 along with Companies (Corporate Social Responsibility Policy).

Table 1: Top CSR spending companies

	Name of the Company	Actual spent (in Crore Rs.)
1	Reliance	760.5
2	ONGC	495.2
3	Coal India	298.1
4	Infosys	239.5
5	TCS	220
6	ITC	214
7	NTPC	205
8	Godrej	16.08

9	Dabur	14.7
10	Emami	7.6

(Sources: Annual Reports of Companies 2015)

New Companies Act 2013

The Ministry of Corporate Affairs (MCA) vide notifications dated 27th February 2014 has notified the Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules), applicable w.e.f. 1st April 2014.

As per provisions of Section 135(1) of the Companies Act, 2013, the CSR Rules are applicable to all those companies:

- Having net worth of Rs. 500 Crore or more, or
- Having turnover of Rs.1000 Crore or more, or
- Having net profit of Rs.5 Crore or more (excluding profit arising from overseas branch or branches of the Company, whether operated as a separate company or otherwise; and any dividend received from other company/companies in India which are covered under and complying with the provisions of section 135 of the Act)during any financial year.

The Companies Act 2013 has introduced these innovative provisions relating to Corporate Social Responsibility (CSR). The Companies Act, 2013 which has come into existence from the 8th of August 2013, replaces the Companies Act 1956, with 470 sections and 7 schedules in 29 chapters. One of the significant provisions mentioned through Section included in the Companies Act 2013, is the responsibility thrust on corporate by the inclusion of CSR and self-governance activities which was hitherto a voluntary activity. The Companies Act, 2013 has made Indian Companies to mandatorily work for environment through a set of CSR activities by an obligation to spend 2% of its average profit during the preceding three financial years. In fact, India is the only country where CSR has been made mandatory. The provision for CSR is dealt with in Section 135 of the Companies Act 2013, under Chapter IX- Accounts of Companies. Section contains 5 sub clauses with one explanation and a Schedule. Following are Schedule VI prescribing the list of CSR activities, which will be applicable with effect from 1st April, 2014.

Every company independently satisfying the criteria under Sec 135(1) has to constitute a CSR Committee. The Act mandates that every such company must spend at least two percent of the average net profits of the company in every financial year on CSR activities. The CSR activities prescribed are applicable to all type of companies whether it is a private, public or a listed company and also includes a foreign company as defined under Section 2(42) of the Act, and having its branch office or project in areas where the company can spend for CSR Activities:

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and differently able and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centre and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and work of arts; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio - economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

It should be noted that any activity done in the normal course of a company's business cannot be construed as a CSR activity. However, any profits arising from overseas operations conducted through foreign branches or subsidiaries and dividend received from other companies in India will be excluded. In the event that a company does not comply with its CSR, the board will have to justify and give suitable explanation, making clear the reason for not complying with its CSR. Further, the law does not prescribe any sanctions for non-compliance with the obligation to spend the two percent as long as the board records reasons for this. In case of foreign companies, having their presence in India, the CSR obligations become directly relevant because delegated legislation under the Companies Act 2013 has mandated that the provisions will also apply to foreign companies having a place of business in India or having any business connection with India, in any form.

While the new Companies Act 2013, CSR mandate is unlikely to include foreign companies other than those in which more than 50 percent of total paid-up share capital is held by Indian citizens or Indian companies, in the absence of a clarification, all foreign companies with any presence in India would be required to comply with the CSR norms. The Companies Act 2013 also stipulates that the companies coming under the CSR ambit have to give priority to local areas from where they operate and focus on local needs. Thereby every company coming under this ambit will be required to demonstrate and validate 2% of their average net profits. The average net profits to be calculated in accordance with the provisions of Section 198 of the Companies Act 2013. Further such companies need to comply with the requirements as set by the Act, namely; Constituting a CSR Committee consisting of at least three directors, out of whom one shall be an independent director. Unlisted Public companies and Private companies can have a CSR committee constituted are not required to have an independent director in the CSR committee. Such of the private companies having only two directors, can constitute a CSR committee with such number of directors.

The formed CSR committee has to

- Formulate a CSR Policy and recommend it to the Board,
- Recommend the amount of expenditure to be incurred on such activities
- Monitor the CSR policy of the company time to time. The CSR Policy of a company shall, inter-alia include;
- A list of CSR projects which the company plans to undertake during the year
- Modalities of execution of such project and the implementation schedules
- Process of monitoring the implementation and progress of the project.

The Board of Directors shall, as per the recommendations made by the CSR Committee, approve the CSR policy of the company.

Every company coming under the ambit should report and display its CSR activities. The Annual Reports and also the Board's report should include particulars of the CSR activities and relevant particulars as specified in the Annexure given under CSR Rules. A foreign company needs to annex particulars regarding the purview of Schedule VII to the Act, as mentioned in the Companies Act 2013. The CSR Policy should also be displayed on the company's website.

Directives of the Act state that the following need to be highlighted and mentioned in the company's website; a brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web - link to the CSR policy and projects or programs.

- The composition of the CSR Committee
- Average net profit of the company for last three financial years
- Prescribed CSR Expenditure (2% of the net profits)
- Details of CSR spent during the financial year
- Total amount to be spent for the financial year
- Amount unspent, if any
- Manner in which the amount spent during the financial year

In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in the Board's Report. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

The CSR committee shall consist of a minimum of three directors of which, at least one shall be an independent director. The Board of Directors of the company need to ensure that at least 2% of the average net profits of the company (made during three immediately preceding financial years), in pursuance of its CSR policy, has been spent on CSR activities. Calculation of Average Net Profit shall be calculated in accordance with the provisions of Section 198 of the Companies Act 2013. It shall be noted that the CSR projects or activities that are focused on benefits accruing to the employees of the company and their families, under Section 135 of the Act, and any contribution of any amount directly or indirectly to any political party under Section 182 of the Act, cannot be considered as CSR activities in accordance with the Act.

The Act envisages that a company can collaborate with other companies for undertaking projects or activities related to CSR. However both the companies should be in a position to report separately on such projects /programs in accordance with the provisions of the Act. Further the CSR activities can be undertaken (with the prior approval of the CSR committee) through , (a) a registered trust or, (b) a registered society or, (c) a company established by the company or its holding or subsidiary or associate company under Section 8 of the Act. (However, if the Trust, Society or Company is not established by the company, then it should have an established track record or three years in undertaking similar programs or projects). Further the CSR activities undertaken by the company either ongoing or new should not be an activity undertaken in pursuance of its normal course of business. Preference for the activity shall be given to the local area / areas around the company where it operates.

The Act states that every company (public or private) which fulfills the following conditions has to constitute a CSR committee under Section 135(1), during financial year of the company.

- Company having a net worth of Rs 500 *crores* or more, or
- Company having a turnover of Rs 1000 *crores* or more or
- Company having a net profit of Rs 5 *crore* or more

The Companies Act 2013 envisages that from the financial year commencing 1st April 2014, every company shall include an annual report on CSR containing particulars specified in the prescribed format. The CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendations of its CSR committee. However, expenditure on an item not in conformity or not in line with the activities which fall within the purview of Schedule VII of the Act shall not be included under the CSR expenditure.

The existing provisions contained in sub-section (1) of the aforesaid section provide that any expenditure (not being expenditure of the nature described in sections 30 to 36 and not being in the nature of capital expenditure or personal expenses of the assessee), laid out or expended wholly and exclusively for the purposes of the business or profession shall be allowed in computing the income chargeable under the head "Profits and gains of business or profession".

It is proposed to insert a new Explanation in sub-section (1) of section 37 so as to clarify that for the purposes of sub-section (1) of the said section, any expenditure incurred by an assessee on the activities relating to corporate social responsibility referred to in section 135 of the Companies Act, 2013 shall not be deemed to be an expenditure incurred by the assessee for the purposes of the business or profession.

Analysis of the provisions related to CSR

1. Criteria for applicability of CSR provisions: As per section 135(1), every company having: net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board of Directors. So there are basically 3 trigger points and all 3 are independent from each other. Accordingly provisions related to CSR shall become applicable whenever a Company satisfies any of the condition mentioned in section 135(1).

2. Companies Covered under CSR: The word used in section 135(1), is "every Company". Hence provisions related to CSR shall apply to all companies Public, Private, Foreign, Holding, Subsidiary or even Government Company. Another interpretation would be – Section 135(1) will be applicable only if company in question satisfying the criteria by itself. For example in case holding Company 'XYZ' satisfying the criteria, than section 135(1) will be applicable only on Company 'XYZ' and would not automatically becomes applicable on subsidiary companies of Company 'XYZ' or *vice-versa*. Kindly refer rule 3(1) of Companies (Corporate Social Responsibility Policy) Rules, 2014.

3. Monetary Figures of which year should be considered to decide the applicability of CSR: Section 135(1) talks about Net Worth, Turnover and Net Profit to decide the applicability of CSR. Now a genuine question arise as to which year's Net Worth, Turnover and Net Profit shall be taken for this purpose. Section 135(1) says Net Worth, Turnover and Net Profit "during any financial year". As per the interpretation, it is a faulty language as "during any financial year" cannot be taken as any historic financial year. So as per the view of various learned law experts reference should be made to most recent available and audited balance sheet i.e. March 31, 2013. In other words audited financial figures for the FY 2012-13 should be considered for the purpose of Net Worth, Turnover and Net Profit keeping in view the applicability date of April 01, 2014 for CSR provisions.

4. Constitution of Corporate Social Responsibility Committee: Companies Covered by CSR Rules are required to Constitution a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director. Refer rule 5.

5. Notable points and Interpretations about CSR committee:

As per section 135(2), the Board's report under sub-section (3) of section 134 shall disclose the composition of the Corporate Social Responsibility Committee.

Composition of CSR committee should be three or more directors, out of which at least one director shall be an independent director. However, in case of a Private Company if there is no independent director, then any 3 directors may be members of CSR committee. This is expressly allowed in CSR rules.

A Private company having only 2 Directors on its Board shall constitute its CSR Committee with 2 such directors. Refer Rule 5(1) (ii).

CSR Committee Meeting: Law is silent with respect to number of CSR Committee meetings in a year. So it is dependent on the requirement of the Company. However there is no restriction if CSR Committee meeting conduct business by circulation.

6. Role and Responsibility of Corporate Social Responsibility Committee

As per section 135(3), Corporate Social Responsibility Committee shall,- Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII, as amended from time to time; Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and Monitor the Corporate Social Responsibility Policy of the company from time to time. The CSR Committee shall institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

7. Responsibility of Board regarding CSR Committee and Policy

As per section 135(4), the Board of every company on which CSR provisions are applicable, after taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company, and; Disclose contents of such CSR Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed; and Ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company.

Further As per Section 135(5), the Board of every company covered under CSR provisions, shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy: Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. Further if the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount.

Initiatives of Some Big Companies..........

1. Tata Hitachi Construction Machine

THCM conducts various training programs in the villages to enhance their agricultural income through modern techniques. THCM assists the villagers in reclamation of their barren land to bring it under cultivation. The Company also helps the villagers in creating water harvesting structures to store rain water for their use in house hold activities and other activities like pisciculture, duck farming, vegetable farming etc. THCM has provided pipes and cable connection for lift irrigation project in the Hurlung village (UP), which has enabled the villagers to bring 30 acres of land under multiple cropping. Good variety of high yield hybrid seeds was also given to farmers for vegetable cultivation.

2. Reliance Industry

They are focusing rural parts with-

- Supporting Farm and non-farm livelihoods
- Improving water conservation and rain-water harvesting
- Developing rural community based initiatives
- Using technology towards delivering need based information for improving quality of life.
- Improving food security and enhancing nutrition
- Developing rural community infrastructure

3. ITC Company

They are focusing rural parts with- the motive of

- To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development of rural parts;
- To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of the rural society;

4. NTPC

This Govt, company is working with the aim of

- Subsidized medical facilities for rurals'
- Mobile ambulance facilities

- Rural school development etc.

5. COLGATE'S Project "JAGRUTI"

In the year 1998 Colgate started project Jagruti, the rural hygiene drive along with the Indian dental Association. This project covers 60 lakh people in 20,000 villages, out of which 15,000 villages had no experience to the availability of toothpaste and tooth powder. The aim of the drive is to promote the brand in rural areas but the overall strategy is also spreading the vital information of oral hygiene among the lesser aware rural people. (Nihar Mohapatra at al, 2000).

Conclusion

It is noted that India's Corporate Social Responsibility (CSR) Act has unleashed a huge amount of money–up to 22,000 crores or US $3.3B–into the various development sector. To make the most of this new opportunity, companies and nonprofits alike need to make some adjustments. Truly speaking now India is experiencing a natural experiment. The new and innovative legislation is enacted, so the impact of the policy will be known over time. The achievement is believed to be in the hands of business houses. They can use their money for tackling some of India's most deeply rooted social concerns also this act has made them some sort of hesitation

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Employee related CSR Practices: A Comparative study between Public and Private Sector Organizations

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Dr. M.Vani : Email: vani.cvlnr@gmail.com.
Prof. P. Murali Krishna : Sri Krishna Devraya Institute of Management, Sri Krishnadevaraya University, Ananthapuramu. Email: panatula_murali@yahoo.com

Abstract

Today corporate social responsibility is an important area of corporate strategy and the growth of CSR activities in the world is quite remarkable. Employees are the major stakeholders of the organisation among other stakeholders. This study focused on the employee awareness about the CSR practices among two public and two private sector organizations, towards the employee dimension of Corporate Social Responsibility. The study has found that the organizations are active in pursuing their CSR initiatives towards this dimension with slight negative opinion on some aspects on the part of the employees. The results indicate that the CSR activities towards employee dimension are quite promising in the organizations and the situation is optimistic.

Key words: Corporate social responsibility, Employees, Stakeholders, Organizations.

Introduction

Business practices, even those conducted a very long way from their home markets, can be subject to intense scrutiny and comment by customers, employees, suppliers, shareholders and governments, as well as other groups upon whose support the business relies. From the perspective of employees, CSR activities include providing health and safety measures, preserving employee rights and discouraging discrimination at workplace. This helps in fostering a healthy environment within the company. Employees are increasingly looking beyond pay-checks and benefits, and seeking out employers whose philosophies and operating practices match their own principles. In order to hire and retain skilled employees, companies are being forced to improve working conditions. Business should be constantly feeding and replenishing its social and human capital, not only through education and training, but also by nourishing community and employee wellbeing. Companies perceived to have a strong CSR commitment often have an increased ability to attract and to retain employees (Greening, D.W., & Turban, 2000), which leads to reduced turnover, recruitment, and training costs. Employees, too, often evaluate their companies CSR performance to determine if their personal values conflict with those of the businesses at which they work.

A company's profitability is largely determined by the productivity of its employees. Increased labour productivity through better motivated staff or lower absenteeism rates through improved health care provision and hence reduced labour costs can easily compensate for the expenses incurred. Improving the general living conditions of the workforce provides major opportunities for cost reduction. One important field, occupational health and safety measures, can help to reduce sick-days and accidents. Companies can thus increase their profit margins significantly through lower absenteeism rates (D. Grayson, and A. Hodges, 2004).

The organizations can achieve high success by improved profitability, employee morale; customer satisfaction, legal compliance and societal approval for its existence but doing these improvements depend on applying corporate social responsibility. In the present paper an important dimension of CSR- employees is being studied. The following sections give an analysis of the employee related activities of CSR taken up by the organizations and how far the employees are aware of them.

Corporate Social Responsibility (CSR) is viewed as a comprehensive set of policies, practices and programs that are integrated into business operations, supply chains, and decision-making processes throughout the organization -- wherever the organization does business -- and includes responsibility for current and past actions as well as future impacts (EIU 2005). CSR involves addressing the legal, ethical, commercial and other expectations society has for business, and making decisions that fairly balance the claims of all key stakeholders. Effective CSR aims at "achieving commercial success in ways that honour ethical values and respect people, communities, and the natural environment."

In broader sense, CSR typically includes issues related to business ethics, community investment, environment, governance, human rights, the marketplace and the workplace.

Review of Literature

Carroll in his article "A Three-Dimensional Conceptual Model of Corporate social Performance," pointed out that the social responsibility of business includes the economic, legal, ethical and discretionary expectations at different points of time. He voiced about the social issues that the organisation must address and also discussed about the organization's mode of social responsiveness (A. B. Carroll, 1979).

Edward Freeman's book on stakeholder theory model suggests that a company's responsibility is to satisfy stakeholders, rather than stockholders alone (Freeman R.E. 1984).

Environment Management Centre (EMC 2005) published an article mentioning the existing status of CSR in India. This article presents about the emergence of bodies whose focus is increasing on CSR issues.

Saboji and Indira (Saboji and Indira, M. 2010) conducted two varied studies with respect to corporate social responsibility in India. The first one was on the analysis of corporate social responsibility of Indian firms. They tried to measure the status of CSR in India by taking in to account the study conducted by Karmayog(2008). The second was taken up on corporate social responsibility and sustainable development. This study tried to understand the contribution of CSR to different dimensions of Sustainable Development (SD) (Saboji, and Indira, M. 2011).

The study made by Uvais .M and Hafeefa Cholasseri (Uvais and Cholasseri 2013) focuses in general about the dimensions and challenges of CSR in India and specifically the CSR practices of the above companies Reliance, TATA and Infosys.

Objectives of the Study

1. To study the role and importance of CSR in the organizations.
2. To examine the awareness of employees and managerial respondents' on the dimension employee related practices of CSR in sample organizations.
3. To provide suggestions to the organizations on the basis of findings.

Research Approach

The study is descriptive in nature. It tries to determine the awareness of employees (managerial & non-managerial) towards the current employee related practices of CSR among the selected public and private sector organizations in India.

Data collection

Primary sources and secondary sources are the two sources used to collect data for the present study. The primary data is collected from the employees of two public sector organizations (Companies A & B) and two private sector organizations (Companies C & D) by administering a questionnaire. Because of a non disclosure agreement, the names of the organizations are not mentioned. The secondary data is collected from books, magazines, journals etc.

Sampling

The researcher has used Stratified random sampling for the study. The population is divided into two strata or groups viz. Managers and employees. From the managerial cadre a sample of 20 and the employee cadre a sample of 100 from each organisation are taken for the study. The sample is picked randomly in order to have proper representation of the population.

Statistical tools used in Data Analysis

The quantitative data analysis is conducted on data collected from questionnaires. The study used both descriptive and inferential statistics for data analysis. Means and Standard deviation tests are the descriptive statistical tools used in the study for arriving at meaningful and logical conclusions of data collected and ANOVA from inferential statistics is used for the analysis. The study uses ANOVA to test the hypothesis.

F= Estimate of population variance based on between samples variance Estimate of population variance based on within samples variance.

Employee related CSR practices: The elements covered under the employee related practices include – good working conditions and opportunity for development. The elements under good working conditions are- relate wage rate fairly to the average rate of industrial sector in which the firm operates, ensure adequate steps against all forms of discrimination, committed to health and safety of its employees, ensures work-life balance among employees, and provision for security of employment. The elements covered under opportunity for development are encourage employees to develop skills and long term careers, enable workers' representation to negotiate and confer with decision makers, provision for freedom of association and right to collective bargaining and provision for suitable training.

Interpretation

The Table 1makes it evident that the managerial respondents' awareness is high with respect to the employee related practices taken in the organizations as part of CSR. The cumulative scores of 1.01, 1.13, 1.23 and 1.47 of companies A, B, C and D respectively confirm this. On observing each factor the following findings are made. With respect to the wage rate of the firm, the respondents of company A feel it as low with a mean score of -0.55. For the rest of the companies it is high with the mean scores of 1, 1.65 and 1.7.

The mean scores are high for the statement, provision for skill development and long term career development among employees. It is the same for the next two statements which are ensuring steps against discrimination and enable worker representation in decision making. For the factors commitment to the health and safety of the employees and ensuring work life balance among employees also the mean scores are high. For the factors provision for security of employment, freedom of association and right to collective bargaining as well as provision for suitable training also the mean scores are high. The high mean scores indicate that the organizations are ensuring good employee related practices in their organizations.

It is concerning to note that respondents from both the sectors and from both groups are not in agreement with the employee related practices being taken up by their organizations.

Table 1: Mean Scores of Managers' perceptions on Employee related practices in organizations

S.No.	Statement	A(N=20)		B(N=20)		C(N=20)		D(N=20)	
	Employee related practices	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
1	The wage rate of our firm relates fairly to the average wage rate of the industrial sector in which it operates.	-0.55	1.43	1	0.77	1.65	0.65	1.7	0.56
2	The company encourages employees to develop skills and long term careers.	0.95	1.02	1.1	0.63	1.2	0.68	1.35	0.73
3	The company ensures that adequate steps are taken against all forms of discrimination.	0.95	0.92	1.05	0.71	1.3	0.78	1.4	0.8
4	The company enables worker representation to negotiate and confer with decision makers.	1.3	0.64	1.1	0.78	0.8	1.03	1.55	0.59
5	The company is committed to the health and safety of its employees.	1.3	0.46	1.3	0.59	1.4	0.58	1.45	0.59
6	The company ensures a work-life balance among employees.	1.1	0.83	1.05	0.82	1.3	0.71	1.35	0.79
7	The company provides for security of employment.	1.3	0.56	1.2	0.76	0.8	0.87	1.25	0.77
8	The company provides for freedom of association & right to collective bargaining.	1.35	0.73	1.05	1.07	1.2	0.81	1.35	0.65
9	The company provides suitable training.	1.45	0.8	1.3	1.45	1.45	0.5	1.45	0.59
	Cumulative score of employee related practices	1.01	0.82	1.13	0.84	1.23	0.73	1.43	0.67

Source: Statistical Analysis of field data

In the aspect of good working conditions the respondents are considerably in favour of the element that the organizations provide wage rate in relation to that of industry rate in which the firm operates except the company A. With respect to the measures against all forms of discrimination also there was positive response from the respondents. The elements commitment to health and safety of the employees, and ensure work-life balance among employees received huge agreeable response from the respondents. The elements covered under development are also given more positive response. The employees are contented with elements provided under the development – encourage employees to develop skills and long term careers, provision for suitable training. The other two elements provision for freedom of association and right to collective bargaining as well as enable worker representation to negotiate and confer with decision makers received not so huge response.

Testing of the differences in the perceptions of the respondents about the employee related practices of public and private sector organizations:

Hypothesis 1.0: there is significant difference between the managerial and employee respondents' awareness about the employee related practices conducted in the public and private sector organizations.

Table 2 ANOVA Summary of perception of respondents about the employee related practices of organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	1	1.376391	1.376391	16.22525	4.493998
Residues	17	1.36	0.08483		
Conclusion : at 5% LOS if Fcal>Ftab, we reject null hypothesis H_0					

Source: Statistical Analysis of field data

Table 2 supports that as the calculated 'F' value is greater than the table value of 'F', the null hypothesis is rejected. That proposes that there is significant difference between the managerial and employee respondents' awareness about the employee related practices being conducted in the sample public and private sector organizations. It is not quite impressive to note that the organizations are not giving importance to the human rights aspect of CSR in their organizations and treating their employees not in a fair manner. It is befitting to say that the respondents are not contented with the activities taken up by the organizations.

Testing of the differences in the perceptions of the managerial respondents about the employee related practices of public and private sector organizations:

Hypothesis 1.1: there is significant difference between the managerial respondents' perceptions about the employee related practices conducted in the public and private sector organizations.

Table 3 : ANOVA Summary of perception of managerial respondents about the employee related practices of organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	3	0.570556	0.190185	1.469365	2.90112
Residues	35	4.14	0.129434		
Conclusion : at 5% LOS if Fcal<Ftab, we accept null hypothesis H_0					

Source: Statistical Analysis of field data

It is obvious from Table 3 that the alternate hypothesis is rejected and the null hypothesis is accepted. The managerial respondents from both the sectors' opined in more positive manner about the employee related practices conducted in the public and private sector organizations. It is promising to note that the organizations are conducting employee related practices in an effective manner in their organizations as part of their Corporate Social Responsibility and also keeping the members informed about them.

If observed individually each factor minor variations are found among the responses of the managerial respondents of the public sector and private sector organizations. The element implementation of wage rate in relation to the average rate of industrial sector received huge positive response from the managerial respondents. The other elements in the maintenance of working conditions such as adequate steps against all forms of discrimination, commitment to health and safety of its employees, ensure work-life balance among employees received more positive response than the element security of employment. The factors under opportunity for development did not receive much positive response. The element encourage employees to develop skills and long term careers did not receive much positive response where as the other elements enabling worker representation to negotiate and confer with decision makers, provision for freedom of association and right to collective bargaining and provision for suitable training received more favourable response.

Testing of the differences in the perceptions of the managerial respondents about the employee related practices of the public sector organizations:

Hypothesis 1.2: there is significant difference between the managerial respondents' perceptions about the employee related practices conducted in the public sector organizations.

Table 4 : ANOVA Summary of perception of managerial respondents about the employee related practices of public sector organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	1	1.866111	1.866111	2.96752	4.493998
Residues	17	1.30	0.8125		
Conclusion : at 5% LOS if Fcal<Ftab, we accept null hypothesis H_0					

Source: Statistical Analysis of field data

Table 4 indicates that there exists no difference between the managerial respondents awareness level about the employee related practices conducted in the public sector organizations. The managerial respondents from the public sector organizations are totally cognizant and satisfied about the practices conducted towards the employee dimension in their organizations. Here the null hypothesis is accepted and the alternate hypothesis is rejected.

The managerial respondents from the public sector are content with the wage rate implemented in the industry (though not completely) in which the organisation operates. The respondents also are firm that the organizations ensure adequate steps against all forms of discrimination, committed to health and safety of the employees. They also confirmed that the organizations ensure work-life balance among employees and provide security for employment. With respect to the opportunity for development the respondents from the public sector organisation are favourable towards the encouragement given to the employees to develop skills and long term careers. They are contented with the provision for worker representation to negotiate and confer with decision makers, provision for freedom of association and right to collective bargaining and provision for suitable training given to the employees.

Testing of the differences in the perceptions of the managerial respondents about the employee related practices of the private sector organizations:

Hypothesis 1.3: there is significant difference between the managerial respondents' perceptions about the employee related practices conducted in the private sector organizations.

Table 5 signifies that null hypothesis is accepted in the place of alternate hypothesis as the 'F' table value is greater than the calculated 'F' value. The managerial respondents' in the sample private sector organizations do not have any difference in the awareness about the employee related initiatives handled in their organizations.

Table 5 : ANOVA Summary of perception of managerial respondents about the employee related practices of private sector organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	1	0.531944	0.531944	2.57066	4.493998
Residues	17	0.41	0.25859		

Conclusion: at 5% LOS if Fcal<Ftab, we accept null hypothesis H_3

Source: Statistical Analysis of field data

The managerial respondents gave a more positive response to all the elements of the employee related activities conducted in the organizations as part of their Corporate Social Responsibility. On inspecting each element it is found as follows. The element, implementing wage rate in relation to the average rate of industrial sector the organisation operates, received major positive response from the managerial respondents. The other elements under the working conditions received categorical response from the respondents to an extent excepting provision for security of employment. The elements under the opportunity for development on the whole received similar response from the managerial respondents of the private sector organizations. On the whole it can be summed up as the managerial respondents are satisfied with the employee related initiatives maintained in the organizations as part of CSR.

The next section explains about the opinions of employee respondents about the employee related practices conducted in the public and private sector organizations.

Explanation of Table 6 : The factors studied here are grouped under two major elements namely working conditions and opportunity for development. It is apparent from the table that the employees also are high in awareness about the employee related practices being carried out in the organizations. The mean scores of 0.87, 1.06, 1.02 and 1.12 of the companies A, B, C and D respectively indicate that the awareness and the satisfaction is high. If each individual factor is observed the following pronouncements are made.

For the factor wage rate in conformity with the industry the mean score is low for the company A, moderate for the companies B and C and is high for the company D which indicates that the employees are not totally happy with the wage rate implemented for them. The mean scores for the factor encouragement for skill development and long term career development are 0.48, 0.75, 1.03 and 1.23 for the companies A, B, C and D illustrate that the employees' satisfaction towards this aspect varies from moderate to high in the companies.

With respect to the ensuring steps against discrimination the mean score is moderate for the company A and is for the companies B, C and D. Towards worker representation in decision

Table 6 : Mean Scores of Employees' opinions on employee related activities in organizations

S.No.	Statement	A(N=100)		B(N=100)		C(N=100)		D(N=100)	
	Employee related practices	**Mean**	**Std Dev**	**Mean**	**Std Dev**	**Mean**	**Std Dev**	**Mean**	**Std Dev**
1	The wage rate of our firm relates fairly to the average wage rate of the industrial sector in which it operates.	-1.02	1.22	0.43	1.27	0.73	1.08	1.23	0.69
2	The company encourages employees to develop skills and long term careers.	0.48	0.83	0.75	1	1.03	0.72	1.23	0.56
3	The company ensures that adequate steps are taken against all forms of discrimination.	0.3	0.78	1.18	0.59	1.34	0.59	1.08	0.92
4	The company enables worker representation to negotiate and confer with decision makers.	1.35	0.65	1.22	0.61	0.75	0.99	0.75	0.99
5	The company is committed to the health and safety of its employees.	1.25	0.54	1.33	0.51	1.48	0.5	1.49	0.59
6	The company ensures a work-life balance among employees.	1.31	0.7	0.97	1.06	0.96	1.26	1.38	0.66
7	The company provides for security of employment.	1.28	0.71	1.33	0.85	0.86	0.98	1	1.01
8	The company provides for freedom of association & right to collective bargaining.	1.31	0.77	1	1.05	0.55	1.07	0.6	0.99
9	The company provides suitable training.	1.58	0.49	1.38	0.69	1.48	0.63	1.38	0.69
	Cumulative score of employee related practices	0.87	0.74	1.06	0.84	1.02	0.87	1.12	0.79

Source: Statistical Analysis of field data

making it is high in the case of the companies A and B and the mean scores are moderate in the case of the companies C and D.

Towards the factors commitment to health and safety of employees, work life balance among employees and provision for security of employment the perception is high for the respondents of all the companies. For the factor freedom of association and right to collective bargaining the mean scores are high for the companies A and B whereas they are moderate for the companies C and D.

The factor provision for suitable training received high mean score by all the companies. On the whole it can be summarised that towards the factors of good working conditions and opportunity for the growth and development minor variations are observed from the employee respondents of the sample public and private sector organizations.

Testing of the differences in the perceptions of the employee respondents about the employee related practices of public and private sector organizations:

Hypothesis 1.4: there is significant difference between the employee respondents' perceptions about the employee related practices conducted in the public and private sector organizations.

Table 7 : ANOVA Summary of perception of employee respondents about the employee related practices of organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	3	3.439606	1.146535	7.622383	2.90112
Residues	35	4.81	0.150417		

Conclusion : at 5% LOS if Fcal>Ftab, we reject null hypothesis H_0

Source: Statistical Analysis of field data

From Table 7 it is clear that the calculated 'F' value is greater than the table value of 'F'. It means that the null hypothesis is to be rejected and the alternate hypothesis is accepted. The employee respondents from the sample organizations of public and private sectors are having good knowledge about the employee related activities of CSR organised by the organizations. The employee respondents are not totally convinced about the activities taken by their organizations for their development as well as working conditions.

The employee respondents from the sample public and private sector organizations though gave a favourable opinion towards the employee related practices operated in their organizations minor deviations have been found among the responses. With respect to the maintenance of working conditions in the organizations some factors received favourable response and some of them not so favourable. The element implementation of wage rate in relation to the average rate of industrial sector did not receive much positive response from the employee respondents. The other elements like adequate steps against discrimination, commitment to health and safety of the employees, ensure work-life balance and provision for security of employment received huge positive response. The elements under opportunity to development, the employees are not convinced about the encouragement given to the employees to develop skills and long term careers. Comparatively the other elements like enabling the worker representation to negotiate and confer with decision makers, provision for freedom of association and right to collective bargaining and provision for suitable training received much positive response from the employee respondents of both the sectors.

Testing of the differences in the perceptions of the employee respondents about the employee related practices of the public sector organizations:

Hypothesis 1.5: there is significant difference between the employee-respondents' perceptions about the employee related practices conducted in the public sector organizations.

Table 8 : ANOVA Summary of perception of employee respondents about the employee related practices of public sector organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	1	4.8324	4.8324	47.91522	4.493998
Residues	17	1.61	0.100853		

Conclusion : at 5% LOS if Fcal>Ftab, we reject null hypothesis H_0

Source: Statistical Analysis of field data

Table 8 claims that the null hypothesis is rejected at 5% level of significance as the calculated value of 'F' is greater than the table value of 'F'. At the employee-respondents' level there exists significant difference about the awareness towards the employee related practices managed in the public sector organizations. It is observed that the public sector organizations are conducting the employee related activities not up to the satisfactory level.

If each element is observed separately variations to an extent are found in the responses of the employee-respondents of public sector organizations. The elements under working conditions such as maintaining wage rate in relation to the industry wage rate and adequate steps against all forms of discrimination did not receive much positive response from the employee respondents. The factors such as commitment to health and safety of the employees, and ensuring work-life balance among employees are given huge positive response. Under the elements opportunities for development – the employees did not give assertive response towards encouragement to employees to develop skills and long term careers. Whereas the rest of the elements such as enabling worker representation to negotiate and confer with decision makers, provision for freedom of association and right to collective bargaining as well provision for suitable training are credited with huge positive response.

Testing of the differences in the perceptions of the employee respondents about the employee related practices of the private sector organizations:

Hypothesis 1.6: there is significant difference between the employee-respondents' perceptions about the employee related practices conducted in the private sector organizations.

Table 9 : ANOVA Summary of perception of employee respondents about the employee related practices of private sector organizations

Source	d.f	SS	MSS	Fcal	Ftab
Treatment	1	1.423536	1.423536	80.29626	4.493998
Residues	17	0.28	0.017729		

Conclusion : at 5% LOS if Fcal>Ftab, we reject null hypothesis H_0

Table 9 clears that the null hypothesis is rejected and the alternate hypothesis is rejected as the 'F' table value is less than the calculated value of 'F'. It brings out that there exists significant difference in the awareness and satisfaction level about the employee related activities of CSR among the employee-respondents of the private sector organizations. It is a matter of concern to note that the private sector organizations also are not effective in conducting the employee related CSR practices in their organizations.

The employee respondents of the private sector are more emphatic in their responses towards inquiries of the employee related initiatives in their organizations. They responded assertively towards some of the elements under working conditions which include commitment to health and safety of the employees, ensuring adequate steps against all forms of discrimination in the organizations, ensuring work-life balance among employees and comparatively less assertive towards the maintenance of wage rate on par with the industry rate in which the organisation operates, provision for security of employment. The elements under opportunity for development are ascertained less by the employee respondents excepting one which is provision for suitable training for the employees. The other factors like encourage employees to develop skills and long term careers, enable worker representation to negotiate and confer with decision makers and provision for freedom of association and right to collective bargaining are not ascertained by the employee respondents of the sample private sector organizations.

Through ANOVA testing significant difference is observed in the perception of the respondents of the sample organizations towards the employee related practices being taken up in their organizations. It is found that there is no difference in the perceptions of the managerial respondents of the sample organizations and also when tested individually those from public sector and private sector. Whereas in the case of employee respondents there is significant difference in their perception about the employee related practices even after individual testing those from public and private sectors.

The managerial and employee respondents are aware of the employee related initiatives taken up in the sample public and private sector organizations and are satisfied with them. Individually managerial respondents from both the sectors are observed it is found that they are having no major differences with respect to the employee activities pursued as part of CSR. The employee respondents from both the sectors as a whole also did not exhibit much difference in their responses about the employee related activities. They are more positive about the employee related activities conducted in their organisation which signifies that they are aware and satisfied with those activities for them. On further observation individually the managerial respondents alone from the public sector organizations slight variations are found in comparison with their counter parts from the private sector organizations.

The respondents from the public sector and private sector are positive towards all the elements under working conditions such as wage rate, steps against all forms of discrimination, commitment to health and safety of employees, ensure work-life balance excepting for the one i.e., provision for security of employment which received less favourable response from the managerial respondents of the private sector. The elements under development did receive much positive response from the public and private sector organizations. This indicates that the managerial respondents from both the sectors are aware of the employee related activities pertaining to CSR are being taken up in the organizations.

Among employee respondents from the sample organizations also, in total there exists no difference in the awareness about the employee related CSR activities in their organizations. The employee respondents from the public sector did not give positive response towards the wage rate and adequate measures against all forms of discrimination. The employee respondents from the private sector are not so positive towards the wage rage and the provision for security of employment. The rest of the factors under the element working conditions did receive much positive response from the respondents of both the sectors.

Under the element opportunity for development the employee respondents of the public sector organizations are favourable towards all the factors except encouragement given to the employees to develop skills and long term careers. On the other side the respondents from the private sector organizations, interestingly, are less assertive towards all the factors under opportunity for development except one which is provision for suitable training. This indicates that the employee respondents either are not aware of all the facilities provided to them or not satisfied with the provisions made for them.

In comparison with the managerial respondents from both the sectors who are much aware and satisfied with the employee related activities the employee respondents are in difference of opinion with them. There is every need to give clarity to the employees about the employee related CSR activities being taken up especially in the private sector organizations. The researcher would like to make a point at this juncture. The employee respondents in majority are not aware that the employee welfare measures are an important aspect of CSR as they are in the primary stakeholder group. The respondents are of the opinion that CSR is mainly concerned towards the environment and community. This study included an analysis of where the employees perceived the boundaries of where and to whom the organisation's corporate social responsibility lays.

Implications of the Study

The main purpose of this study was to investigate the perceptions of the employees of the existence of Corporate Social Responsibility activities, activities pertaining to different stakeholders and the CSR performance of the sample public and private sector organizations.

The organizations have to ensure employee satisfaction with regard to working conditions and opportunity for development as they are the key players in the progress of the organisation. . In comparison with the managerial respondents from both the sectors who are much aware and satisfied with the employee related activities the employee respondents are in difference of opinion with them. There is every need to give clarity to the employees about the employee related CSR activities being taken up especially in the private sector organizations. The researcher would like to make a point at this juncture. The employee respondents in majority are not aware that the employee welfare measures are an important aspect of CSR as they are one of the primary stakeholder groups. The respondents are of the opinion that CSR is mainly concerned towards the environment and community.

Companies that improve working conditions and labour practices also experience increased productivity and reduced error rates. Regular controls in the production facilities throughout the world ensure that all the employees work under good conditions and earn living wages. These practices are costly, but the increased productivity of the workers and improved quality of the products generate positive cash flows that cover the associated costs. Thus, firms may actually benefit from socially responsible actions in terms of employee morale and productivity.

The employees and leaders of businesses are not separate from the society in which they operate. Increasing numbers of employees are stating a desire for more CSR engagement by their prospective employers, and leaders of companies are facing greater public pressure to assume more responsibility for the operations of their company. Employees are critical stakeholders because they have the closest proximity to the company and they make up the body of the company to form its culture and talent base.

Conclusion

CSR in India is basically a modern twist on the traditional philosophy of Gandhian Social Trusteeship, and not just the replication of the western model of the triple bottom line and thus focus on employee-wellbeing. This focus is also due to the nature and type of the industry and the fact that India is a developing nation. Organizations which concentrate on CSR do so to take care of employees. It is very apt to say, that in India, CSR equates to take care of the basic needs of the people, society and environment. To sum up, it can be said that being trusted by stakeholders and pursuing socially responsible policies reduces risks arising from safety issues (consumer, employee and community), potential boycotts and loss of corporate reputation.

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Information Technology Powered State-of-the Art Project Management of Large Infrastructure Projects

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Bibhas Kumar Basu : Head, Corporate Centre & Technology, Power IC, Larsen & Toubro Limited, Vadodara. Email : BKBASU@lntpower.com
Aditi Bandyopadhyay : Head, Information Technology, L&T Sargent & Lundy Limited, Vadodara. Email : Aditi.Bandyopadhyay@lntsnl.com
Dr. Rajesh Khajuria : Director, CKSV Institute of Management Vadodara. Email : director@cksvim.edu.in

Abstract

Project execution is becoming extremely challenging day by day. Cost and time lines of the projects are shrinking drastically to reduce Interest during Construction (IDC) and to commence faster production. Contractual terms & conditions are getting more stringent with provision of huge penalties. It has, thus, become essential to be more efficient and innovative in managing projects and to find ways and means of "doing it right the first time" faster, cheaper and with fewer resources.

Information Technology (IT) has, over last two decades, pervaded every walk of life. It is playing a crucial role in the field of Project Management (PM) also. IT is contributing in a big way in managing projects effectively.

IT is making Project Management more robust and efficient to meet every challenge in the areas of Engineering, Procurement and Construction(EPC) of large complex infrastructure projects like Power Plants and take it to the next level. The various stakeholders in such a large scale Power Project are the Developer, EPC contractor, Equipment Manufacturer and O&M Contractor, etc. IT can make the art of managing Stakeholders' activities simpler.

This report outlines the critical role IT plays in Project Management, a literature review on the role of IT in PM as well as its future role to execute large, integrated and complex infrastructure projects in an efficient manner based on hands-on experience of the authors inproject management of power plants.

Literature Review

This paper attempts to look at IT usage in project management in the engineering industry. Lot of information is available regarding the emerging trends of IT in the fields of Project management, with primary focus on construction industry. Betts (1999) reported that construction industries in many countries are starting to consider seriously the strategic use of IT. Stephan Mak (2001) talked about the database oriented approach for getting the benefits of past projects. Research has been carried out in various countries regarding the use of IT in Construction Industry as available from Sapri and Bhuta (2004). They have carried out survey to understand the readiness of the industry regarding IT usage. Zainon, Rahim and Salleh (2011) have reported on the Malaysian construction industry. They discussed about the 3D CAD usage for building models (Froese, 1999).In their work, Onyegiri, Nwachukwu and Jamike (2011) have brought out many of the facets of ICT(Information and Communications Technology). In their research, Shelke and Bhangale (2013) dealt with the transformation of construction industry due to IT. They talk about the Computer aided Design (CAD), visualization, planning scheduling and site management. They emphasize that IT should be linked to corporate strategy.

The previous works emphasize on how important it is to strategize the use of IT in managing projects and leverage the various IT advantages like CAD tools and databases, communication mediums like email and internet; and use the Building Information Modeling to the advantage of construction projects. Application of BIM like Planning and Utilization, Scheduling and Sequencing, Cost Estimation, Integration of Subcontractor and Supplier models, Systems Coordination, Layout and fieldwork, prefabrication, operations and Maintenance etc is explained in detail in the work of Onyegiri, Nwachukwu and Jamike (2011).

All of the above and many more new advances of IT are now available not only for construction industry but Project management of large Power projects. This paper takes this theme forward to bring some new thoughts on this area.

Domain of Project Management (PM)

Project Management broadly covers the following activities:

- Managing Customers & Other Stakeholders
- Managing Time - Project Planning, Progress Monitoring & Control
- Managing Cost -Tracking of costs, Monitoring &Control
- Managing Teams - Project Organization at Head Quarter & at

site

- Managing Resource - Allocation, Tracking &leveling
- Engineering Management - Requirement Management
- Contract Management - Managing Scope Change
- Project Risk Management - Identifying and mitigating project risks
- Procurement & Supply Chain Management – Managing Vendors & Logistics
- Construction Management – Managing site
- Quality Management - Managing Quality of deliverables and site supervision
- Safety, Health & Environment
- Communication &Document Management – Establishing communication protocol, Management of Revisions
- Management of Finances - Invoicing and Collection of Payments, Cash Flows, Profitability, Net Working Capital Management
- Managing People - Human Resource Management, Training & Development of personnel

This is definitely not all – there are many tangible and intangible activities that needs to be managed to make any project a success.

In the face of the changing nature of projects and their complexities, there is a need to innovate, get the best out of technology and improve upon the traditional project management methods. It is no longer possible to keep track and manage of today's fast paced projects involving millions of activities through conventional ways. We need more effective tools to meet the demands of the business.

Improved PM techniques can help us to reduce the project duration, do timely course correction and effect cost savings.

IT in Project Management

There are various software application ranging from simple to complex that can help accomplish the various tasks by the various functions.

A few examples are provided below:

- **Engineering**

In the four-phase Project Life Cycle comprising Conceptualization (Phase I), Development (Phase II), Execution (Phase III) and Close Out (Phase IV), engineering is omnipresent. Cost of making changes at the execution phase of the project is considerably higher than that in earlier phases. This makes it crucial for the engineering team to deliver error free deliverables within the schedule.

Engineering includes the conceptualization, analysis and design complete with visualization in 3D and clash detection. The team delivers the ready for construction design based on which work commences at site.

Some of the software that are widely used for engineering are given below:

- **Plant Design Software**

There are quite a few Plant Design Software available that help in providing end-to-end solutions for engineering. The software capabilities extend upto procurement and construction support and also in Plant maintenance.

Most of these software suite are state-of-the-art integrated project management, engineering and design automation system often customized to meet the requirements of plant engineering and design.

The system provides accuracy and ensures completeness of information into the engineering deliverables. The project database is the single source for all project information. As the physical plant design and engineering analyses are developed, the information is made available to the project team. The project database, coupled with graphic model, is also the foundation for visualization and clash detection, which greatly accelerates the physical design tasks and helps avoid rework.

Some of the most popularly used systems worldwide include SmartPlant by Intergraph, PDMS by Aveva, AutoPlantBy Bentley and so on.

Major capabilities of the Plant Design Software include:

- Piping & Instrumentation Diagram
- 3D Piping
- Equipment Modeling
- Structural Modeling
- Electrical Raceway/Cable Tray Modeling
- Clash Detection

- **Concurrent Engineering /Global Workshare**

The concept of engineering teams working from various geographical regions but connected all the same and working on the same project is very common in today's work environment.

The project data is accessed from a central node by all parties through the concept of global work share or concurrent engineering. This concept has virtually eliminated the geographical barrier between engineering offices at different locations across globe enabling work to go on round the clock.

- **Analytical Software**

When we talk of Power projects, the requirement for calculation and analysis of various technical aspects ia required. To deal with these, various analysis software are used.

Few examples of such analysis involved in engineering phase are Computational fluid dynamics (CFD) analysis, pipe stress analysis, foundation design, Load flow and short circuit study, transient analysis, grounding grid design, structural analysis and many more.

Some of the tools are highlighted below:

(a) Heat & Mass balance Diagrams can be generated through software that perform detailed steady-state design and simulation of combined cycles, cogeneration systems, and other thermal power systems.
E.g., Gatecycle by GE, GTPro & Thermoflex by Thermoflow

(b) Pipe Stress analysis software evaluates the structural responses and stresses of piping systems to international codes and standards.
E.g., CAESAR II by Intergraph, Rohr IIby SIGMA IngenieurgesellschaftmbH,AutoPIPE by Bentley

(c) Compressible and Incompressible Fluid Flow Analysis of pipe and duct networks using software like Pipenet by Sunrise, Arrow or Fathom by AFT and CFD analysis software like Ansys.

(d) For Electrical system study like Load flow analysis, Short circuit Study, Transient analysis, Grounding grid design and analysis, Protection system design etc various analytical tools are available from ETAP, CYME, CDEGS from SES Technologies.

(e) For analysis and design of concrete floor and foundation, SAFE from CSI is a well-known application used worldwide. SAP is an finite element structural analysis tool from CSI that can provide solutions from simple to complex structures.

(f) Structural Analysis and Design is performed using application like STAAD and ETABS addressing all aspects of structural engineering - model development, analysis, design, verification and visualization.

These are only a examples of the various tools and applications that is available for all sorts of analysis and calculation in the field of engineering.

- **Procurement**

Project procurement is mostly done through ERP systems today due to the huge volume and complexities involved.

It is important to plan, monitor and control the Procurement part of the EPC business so that the equipment and materials are purchased at the most optimum cost and they reach site on time.

There are various systems that allow for vendors to bid online. The systems thus manage huge vendor databases. It enables suppliers to view the Request For Quotation (RFQ), submit their offers, access purchase order and submit online acceptance. The system is accessible only by authorized users making it very secure and ensures confidentiality of data.

- **Construction**

To help in construction management, various software application are used.

The new concept that is introduced now is commonly known as Building Information modeling (BIM) where an intelligent 3D digital model is associated with schedule and cost resulting in a 4D model. BIM is an intelligent model-based process that provides better insight to plan, design, construct, and manage buildings and infrastructure.

BIM will mostly have the following features:

- Visualization through 3D modeling
- Scheduling and Sequencing
- Cost Estimating
- Layout Generation
- Prefabrication
- Operations and Maintenance

The various requirements at construction site start with the Bill of Quantities from Engineering, Material receipt, Inspection and Certification as part of the procurement process management, Quality Control, Planning, mobilization and customer invoicing.

Most of the projects have now moved to ERP systems connected to the engineering Head office paving the path for integrated project management.

Project Management

- **Enterprise Resource Planning (ERP)**

ERP Solutions incorporate a vast array of business processes into an integrated information system. ERP in the form of SAP and BAAN are mostly used in the industry.

Taking the example of SAP, main modules that are used in PM are: Project Systems (PS), Materials Management (MM),Sales & Distribution (SD) and Human Resource (HR).

The PS and MM module are used for the entire workflow starting with creation of material list, preparation of Purchase Requisition (PR), Purchase Order (PO) and Goods Received Notes (GRN) for materials received at site. The SD module is used for maintaining the billing schedule and raising of invoices through the system.

While SAP is used for various transactions, SAP BW takes care of strategic reporting needs, which gives flexible and easily accessible reports. The goal of SAP BW is to summarize and report the transactions that have been created in SAP.

The following activities are critical for the success of the system:

- Development of Work Breakdown Structure(WBS) with corresponding cost allocations that work as the backbone of Project management and Control in SAP. A similar structure is also followed while carrying out planning and scheduling in Primavera Project Planner.
- Creation of Material Master for every package/item, Bill of Material (BOM) in line with the WBS, PR, PO, GRN, invoicing to Customer etc are all performed in SAP.
- Use of unique material code for every item and tracking the item using the same code throughout the project life cycle.

- **Project Planning & Monitoring**

The most widely known application in the industry for project monitoring and control is Primavera from Oracle Corporation.

This project management tool has been accepted well for its flexibility which is very helpful in the dynamic project environment. Creation of Work Breakdown Structure with unlimited activities, multiple baselines, resources, user defined codes, CPM scheduling and resource leveling, project planning, scheduling, monitoring and progress reporting that covers engineering, procurement, execution as well as construction functions.

Project progress can be monitored and reported on the basis of earned value method and progress S-Curve. Action plans /Catch-up plans are prepared accordingly.

Today, there is also integration between the two important project management tools like SAP and Primavera fetching tremendous benefits for the users.

- **Document Management**

Document management has always been a challenge for huge projects. Managing the various revisions that reach the site is a mammoth task – any aberration can cost the project a fortune.

There are various collaborative tools available from application like Primavera and SAP for managing the project communication and the documents with proper check in check out, versioning, notification and search options. Many companies are building their own systems with the help of collaborative tools like Microsoft SharePoint.

Such collaborative tools facilitating flow of information amongst the various stakeholders of the project, namely, Customer, Suppliers, EPC Contractor and the Engineering team is the backbone of Project Management.

The main features of such system are:

- Exchange of project specific documents& drawings on-line thus avoiding physical delays involved in movement of documents.
- Permits online reviewing &marking of drawings/documents.
- Permits working on same revision/version of document/drawing by all groups.
- Monitor hundreds of pending issues in a large project in a systematic manner.
- Group discussion, Net meeting and Exchange of project mails

- **Communication**

Success of a project depends largely on the seamless communication between the stakeholders. IT helps in providing the state-of-the-art communication and networking system through audio/video conferencing, Smart Boards, live streaming from project sites for project reviews. Today, the new generation cameras fitted on drones provide exact updates real-time. With the advent of mobile technology, the project team is connected through smart devices and can communicate instantly.

- **Knowledge Management**

The concept of knowledge management has caught on in the last decade. IT can provide effective tools to capture the tacit and implicit knowledge of the organization in a systematic way.

The learnings of past projects when properly analyzed and the knowledge used in context to the current problems can save a lot of time and thus cost. There are various tools sometimes built in-house by the teams to capture the knowledge and use that for current and future projects.

- **e-Learning**

The concept of e-learning is being implemented in the industry today on the basis of various IT tools developed to cater to this. There are CBT or Computer Based training modules that re used by various practitioners for enhancing their knowledge at their own time and own pace.

Other Applications of IT in Power Sector

In Power Generation Sector, IT enabled tools are used for load forecasting, asset management, predictive maintenance, real time monitoring, integrated generation control, supply chain monitoring etc. DCS technology has also evolved over a period of time and is now very powerful tool for efficient plant operation.

In Transmission Sector, IT is used for network planning, operations and maintenance, energy management and monitoring systems. IT solutions are key in areas like load assessment, energy accounting, substation monitoring, load dispatch, outage planning, SCADA etc. Tower spotting and route survey are done with the help of Geographic Positioning System (GPS).

In Distribution Sector, IT is used for demand forecasting, energy auditing, loss segregation and reduction. SCADA, Geographic Information System (GIS), Outage Management Systems are widely used by distribution sector.

Way Forward.....

The ever magnifying size, complexity, technology and novelty of the power projects has brought to the fore, more than ever before, the imperative of an integrative, coordinated approach to managing such projects throughout their life cycle.

The IT solutions for the Power sector as a whole are much beyond what is described in this paper. Like the engineering sector, private utilities and central public sector units have come to realize the power of IT for bringing reforms in the power sector.

To harness the true power of IT, an integrated approach is necessary. It is important to continually strive for integrating IT and PM processes to increase their effectiveness and business efficiency.

The main power of IT lies in its simplicity of use and integration with other tools. The IT industry is moving towards that concept where the products from different suppliers are compatible thus provide flexibility to the end user. Thus switching from one application to the other does not seem a herculean task anymore.

Today, with digitization being the order of the day and Internet-of-things coming up as a concept which is set to dominate our lives in the near future, it is only a matter of time when any resistance to using IT will be swept away. So it better to be ready for the change and start planning for the Project dashboards that we may want to have at our fingertips any time.

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e-Procurement Implementation in selected Industrial Units of Gujarat

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Prakash Patel : Assistant Professor, C K Shah Vijapurwala Institute of Management, Vadodara. Email: prakash.patel@cksvim.edu.in, prakash_patel48@yahoo.com
Dr. Kunjal Sinha : Associate Professor, C K Shah Vijapurwala Institute of Management, Vadodara. Email: kunjal.sinha@cksvim.edu.in

Abstract

The use of internet has made the world small and through it business transactions are conducted globally at a faster pace. Procurement is migrating from traditional paper-based process to e-procurement with the increasing use of Internet and e-commerce technology. E-procurement can include services such as hosting of databases, catalogue management, managing tenders and auctions on behalf of clients through to a complete outsourced procurement service. The purpose of the research is to explore/ identify the difficulties faced in e-procurement implementation and to study the significance of differences in difficulties faced in e-procurement implementation across industry, size of the firm and ownership of the firm. The current study is a descriptive study, using the primary data collected through structured questionnaire by the personal survey method. The sampling unit is an Executives and Managers involved in e-procurement activities of an organisation. The sampling technique adopted for the survey is non-probability convenience sampling technique. In this study, researchers have used SPSS 20. Krushkal Wallis test was used to find if there is a significant difference in difficulties faced in e-procurement implementation across industry and size of the organization based on the Investment, number of employees and ownership. While there is no significant difference in difficulties faced in e-procurement implementation across industry based on Ownership of the firm and the number of employees, there exists significant difference across industry based on investment. Four factors have been derived from factor analysis related to difficulties faced in e-procurement implementation.

Keywords: Information Technology (IT), E-procurement, Marketplace, EDI, Web-EDI

Introduction

Advancements in information and communication technology (ICT) have led to fundamental changes in the methods and practices of all businesses and industries. The amount of business conducted electronically has reached hundreds of billions of dollars, and there is little doubt that the emergence of the internet will continue to revolutionise the access to communication and information technology (Kajewski & Weippert, 2004). Electronic business (e-Business) has changed the way of organizations' interaction with each other and method of doing business too. An organization can use e-procurement to create strategic advantage through improved customer relationships resulting from greater business efficiency and better information access and flexibility.

E-Procurement

The procurement is going through a revolution with the increasing use of e-commerce. Procurement is changing from traditional paper-based process to e-procurement with the increasing use of Internet and e- commerce technology. e-procurement allows individual employees to order goods directly from their personal computers through the web on a real-time basis. Requests for procurement and purchase orders are channelled through various forms of hubs or database. It also allows individual employees to search for items, checks availability, place and track orders and initiate payment of delivery. e-procurement includes purchasing, transportation, warehousing and inbound receiving (Kalakota and Robinson, 2001).

E-procurement Models

Based on available literature, three types of e-procurement models have been identified: (1) Buy-side procurement which refers to an organization using electronic systems to purchase goods, such as office stationary, from contracted suppliers. In short, this model is generally driven by the specific requirements of the buying organizations than other models. (2) Sell-side procurement which is used to describe how one supplier sells to a number of buying organizations using electronic systems viz. e-procurement systems, e-commerce technology. This model is often used extensively in Business-to-Consumers (B2C). (3) e-marketplace and trading hubs which is a combination of industry association and the trading exchanges. The marketplace model brings together many different buying and selling organizations in one trading community. The most popular e- marketplace function is auction used for variety of product category.

e-procurement Practices

Procurement practices are categorised by two types: (1) Direct material (or purchases) and (2) Indirect material (or purchases). Indirect materials are typically referred to as MRO goods where as direct materials are those that are closely linked to production or service delivery. Mostly companies are purchasing either direct or indirect materials on the internet. However, it is more difficult to implement e-procurement for direct material as it requires lot 'back end integration' and complex procedures.

Benefits of e-procurement / e-tendering

Brack (2000), Buyers indicated that the conversion from paper-based to e-purchasing resulted in a reduction of purchasing price, reduction at inventory level, a 5-day reduction in cycle time, a US$77 saving in per requisition administrative cost. Thai & Grimm (2000), the implementation of e-Procurement initiatives should be seen as an effort to improve the procurement goals, which normally include quality; timeliness; cost; minimizing business, financial and technical risks; maximizing competition; and maintaining integrity. According to Min & Galle (2003), main e-procurement benefits are (a) Cost savings and subsequent increase in return-on-investment (b) Enhancement of supply chain efficiency by providing real-time data regarding product availability, inventory level, shipment status, production requirements (c) Facilitation of collaborative planning among supply chain partners by sharing data on demand forecasts and production schedules that dictate supply chain activities (d) Effective linkage of customer demand information to upstream SCM functions, while also facilitating "pull" (demand-driven) SCM operations. Robert Eadie, Srinath Perera, George Heaney, Jim Carlisle, in their study, examine the drivers and barriers for e-procurement in construction within Northern Ireland. Findings show that the two highest ranked drivers were improving communication and reduced administration costs, while the two most important barriers were security of transactions and the uncertainty surrounding the legal issues of e-procurement.

Challenges and risks of e-procurement

A study by Angeles and Nath (2007) identified three important challenges to e-procurement implementation. These are: (1) Lack of system integration and standardization issues (2) Immaturity of providers of e-procurement services and the lack of supplier preparation, and the resistance of solutions end users. (3) It is very difficult to change purchasing-related behaviour among the company's employees. Darlington (2006), the major risks factors relating to electronic transactions on the internet include hacking, viruses, pirating, illegal trading, fraud, money laundry, defamatory libel, among several others. All of these have very destructive impacts on trust and transparency in the process of tendering. In a research by Davila et al. (2003), four risks associated with adopting e-procurement technologies were identified. (1) Internal business risks: Businesses have to be careful while integrating e-procurement technologies with other business applications such as accounting, human resources, accounts payable and cash management. (2) External business risk: e-procurement solutions also need to be able to cooperate with suppliers IT-infrastructure. (3) Technology risks: Many companies are unsure about which e-procurement solution best suits the specific needs of their company. (4) e-procurement process risks: This risk relates to the security and control of the e-procurement process itself. Robert M. Arasa1, John O. Achuora, in their study examined the factors that affect implementation of e-procurement within the textile and apparel firms in Kenya. Specifically it sought to investigate the effect of organizational issues, environmental factors and technological factors on the implementation of e-Procurement. Kishor Vaidya, A., S. M. Sajeev and Guy Callender, This paper will assess the CSFs that are likely to influence the success of e-Procurement initiatives in the public sector. Olukayode S. Oyediran, and Adeyemi A. Akintola have addressed challenges about e-tendering among Nigerian construction industry professionals. Marianna Sigalaa, research examined the factors influencing the use and adoption of e-procurement systems by foodservice operators. Viljami Vanjoki, research aimed to identify reasons as to why have not more companies adopted e-procurement for indirect purchases; and how can e-procurement vendors make e-procurement more attractive for companies. According to Rezgui (2004), organizational and human issues have also been highlighted as key factors affecting the use of technologies in the construction sector. Williams, Susan P. Hardy, and Catherine A, presented the findings from a recent survey of e-procurement in Australia. The survey is designed around the OECD model of e-business adoption and provides a picture of the readiness, intensity and impact of e-procurement in Australian organizations.

Research Objectives

1. To explore/ identify the difficulties faced in e-procurement implementation.
2. To study the significance of difference in difficulties faced in e-procurement implementation across industry, size of the firm

and ownership of the firm.

Research Methodology

The current study is a descriptive study. For this, the primary data were collected through structured questionnaire by the personal survey method. The sampling unit is an Executive and or Manager involved in e-procurement activities of an organisation. The sampling technique adopted for the survey is non-probability convenience sampling. Sample size is 72 companies from the entire Gujarat which includes South zone, North zone, Central Gujarat and Saurashtra region.

Data Analysis

For the present study Kruskal-Wallis test is performed with an objective to understand the significance of difference in difficulties faced in e-procurement across industry.

Ho: There is no significant difference in difficulties faced in e-procurement implementation across industry

H1: There is a significant difference in difficulties faced in e-procurement implementation across industry

Table 1: Test Statistics

	Chi-Square	df	Asymp. Sig.
High introduction costs for new solutions	10.321	7	.171
Suppliers slow to link up with the procurement system	12.880	7	.075
Lack of quality of master data	10.608	7	.157
Difficulty in judging usefulness and potential of new IT solutions	4.071	7	.772
Lack of user-friendliness and user-acceptance of solutions	9.474	7	.220
Solutions only address some of our procurement processes	17.000	7	.017
Solutions do not address the complexity of our processes	14.232	7	.047
Solutions are not w ell enough integrated (isolated applications)	3.343	7	.852
Lack of qualified staff who can work with modern procurement system	10.249	7	.175
Consultant expertise is lacking in IT projects for procurement	8.361	7	.302
a. Kruskal Wallis Test			
b. Grouping Variable: Industry Based on Product			

Table 1 shows the p-value of "Solutions only address some of our procurement processes" is 0.017 and "Solutions do not address the complexity of our processes" is 0.047. These p- values are less than 0.05; hence for these statements the null hypotheses are not accepted. So there is a significant difference in difficulties faced in e-procurement implementation across industry.

Table 2: Ranks

Industry Based on Product		N	Mean Rank
High introduction costs for new solutions	Chemical & Petroleum	18	36.83
	Automotive	5	44.30
	Pharmaceutical	4	27.63
	Electrical	8	35.44
	Textile	7	55.21
	Engineering & Machine Tools	18	31.56
	Fertilizer	1	54.00
	Others	11	31.00
	Total	72	
Suppliers slow to link up with the procurement system	Chemical & Petroleum	18	37.11
	Automotive	5	51.10
	Pharmaceutical	4	21.00
	Electrical	8	45.00
	Textile	7	32.86
	Engineering & Machine Tools	18	40.61
	Fertilizer	1	21.00
	Others	11	25.32
	Total	72	
Lack of quality of master data	Chemical & Petroleum	18	42.89
	Automotive	5	39.50
	Pharmaceutical	4	40.00
	Electrical	8	33.13
	Textile	7	20.86
	Engineering & Machine Tools	18	41.42
	Fertilizer	1	11.00
	Others	11	30.09
	Total	72	
Difficulty in judging usefulness and potential of new IT solutions	Chemical & Petroleum	18	40.00
	Automotive	5	32.10
	Pharmaceutical	4	40.00
	Electrical	8	25.13
	Textile	7	38.36
	Engineering & Machine Tools	18	35.94
	Fertilizer	1	46.50
	Others	11	38.59
	Total	72	
Lack of qualified staff who can work	Chemical & Petroleum	18	33.86
	Automotive	5	45.80
	Pharmaceutical	4	39.13
	Electrical	8	22.06
	Textile	7	49.50

with modern procurement system	Engineering & Machine Tools	18	34.11
	Fertilizer	1	61.00
	Others	11	39.55
	Total	72	
Consultant expertise is lacking in IT projects for procurement	Chemical & Petroleum	18	39.36
	Automotive	5	33.80
	Pharmaceutical	4	49.38
	Electrical	8	26.13
	Textile	7	47.71
	Engineering & Machine Tools	18	30.81
	Fertilizer	1	45.50
	Others	11	37.27
	Total	72	

(Source: Primary data)

Table 2 shows the mean rank of respondent of industry. From the mean rank, we can say that Pharmaceutical Industry is facing more difficulties in 'Solutions only address some of our procurement processes' and 'Solutions do not address the complexity of our processes'.

Likewise the Kruskal-Wallis test was performed to fulfill the following objective:

Objective: To understand the significance of the difference in difficulties faced in e-procurement implementation across industry, size of the firm and ownership of the firm.

The Null and the alternative hypothesis are given below:

Ho: There is no significant difference in difficulties faced in e-procurement implementation across industry, size of the firm and ownership of the firm.

H1: There is a significant difference difficulties faced in e-procurement implementation across industry, size of the firm and ownership of the firm.

Table 3: Difficulties faced in e-procurement across industry, size and ownership

Statement	Size (Investment)	Size (Employees)	Ownership
High introduction costs for new solutions	P = 0.009 H0-Not Accepted	P=0.270 H0-Accepted	P=0.139 H0-Accepted
Suppliers slow to link up with the procurement system	P=0.626 H0-Accepted	P=0.504 H0-Accepted	P=0.870 H0-Accepted
Lack of quality of master data	P=0.586 H0-Accepted	P=0.186 H0-Accepted	P=0.966 H0-Accepted
Difficulty in judging usefulness and potential of new IT solutions	P=0.230 H0-Accepted	P=0.470 H0-Accepted	P=0.143 H0-Accepted
Lack of user-friendliness and user-acceptance of solutions	P=0.086 H0-Accepted	P=0.987 H0-Accepted	P=0.677 H0-Accepted
Solutions only address some of our procurement processes	P=0.077 H0-Accepted	P=0.277 H0-Accepted	P=0.103 H0-Accepted
Solutions do not address the complexity of our processes	P=0.227 H0-Accepted	P=0.898 H0-Accepted	P=0.356 H0-Accepted
Solutions are not well enough integrated (isolated applications)	P=0.239 H0-Accepted	P=0.702 H0-Accepted	P=0.974 H0-Accepted
Lack of qualified staff who can work with modern procurement system	P=0.114 H0-Accepted	P=0.635 H0-Accepted	P=0.363 H0-Accepted
Consultant expertise is lacking in IT projects for procurement	P=0.090 H0-Accepted	P=0.072 H0-Accepted	P=0.646 H0-Accepted

(Source: Primary data)

Table 3 shows the p-value of various statements of Difficulties faced in e-procurement implementation. P value of only one statement (high introduction cost for new solutions) is less than 0.05. Hence for this statement the null hypothesis is not accepted. So there is a significant difference in difficulties faced in e-procurement implementation across industry based on size of the firm (investment). The null hypotheses have been accepted for all other statements as p-values are more than 0.05. So for these statements, there is no significant difference in difficulties faced in e-procurement implementation across industry, size of the firm and ownership of the firm.

For the present study factor analysis is performed on the 10 statements of difficulties being faced in e-Procurement Implementation. These statements were measured on a continuum ranging from one to five (1-Not Important at all to 5 - Most Important).

Bartlett's Test of Sphericity: As shown in the table 4, the significant value of Bartlett's Test is 0.000, this leads to rejection of the idea that the correlation matrix is identity matrix.

Kaiser-Meyer-Olkin Test for Sampling Adequacy: KMO is 0.513 which is greater than 0.5. Hence, this value is acceptable and justifies the appropriateness of factor analysis.

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.513
Bartlett's Test of Sphericity	Approx. Chi-Square	302.377
	Df	45
	Sig.	.000

Communalities

Communality is the amount of variance a variable can explain with all the factor being considered. This is also the percentage of variance explained by the common factors. The method selected for factor analysis here is Principal Component Analysis. In this method the total variance in the data is considered. The initial communalities for Principal Component Analysis are 1. However, the primary concern is the extracted communalities, which are achieved after extraction of factors. The communalities are shown in Table 5; table shows that the extracted communalities are high, and hence, acceptable for all the statements.

Table 5: Communalities

	Initial	Extraction
High introduction costs for new solutions	1.000	.571
Suppliers slow to link up with the procurement system	1.000	.891
Lack of quality of master data	1.000	.639
Difficulty in judging usefulness and potential of new IT solutions	1.000	.819
Lack of user - friendliness and user - acceptance of solutions	1.000	.565
Solutions only address some of our procurement processes	1.000	.856
Solutions do not address the complexity of our processes	1.000	.783
Solutions are not w ell enough integrated (isolated applications)	1.000	.880
Lack of qualified staff who can work with modern procurement system	1.000	.678
Consultant expertise is lacking in IT projects for procurement	1.000	.702
Extraction Method: Principal Component Analysis.		

(Source: Primary data)

Variance explained

Table 6 shows the Eigen values of all the components that can be extracted and cumulative variance. However, it is required that the maximum amount of variance should be explained in minimum number of components – for this reason extraction of the components is required. Only those factors are extracted for which the Eigen values are greater than one. These factors are four in number and together contribute 73.827% of total variance. This is a fair percentage of variance to be explained and assumes the appropriateness of the factor analysis. Thus extracting four factors from a total of 10 statements of difficulties being faced in e-Procurement Implementation is good by all means.

Further Table 6 shows the extraction sum of square loadings for the scale for of reasons for using IT for Procurement. However, a careful look at table 6 shows that 73.827% variance is not uniformly distributed across all components where only the first component accounts for 34.035% of variance. Thus in order for the variance to be uniformly distributed across all the components a rotation of the components matrix is required. Components matrix is the loadings of various variables to the extracted components.

Although the initial or unrotated matrix indicates the relationship between the factors and individual variables, it seldom results in factors that can be interpreted, because the factors are correlated with many variables. In such a complex matrix it is difficult to interpret the factors. Therefore, through rotation, the factor matrix is transformed into a simpler one that is easier to interpret. The method of rotation used for this analysis is VARIMAX, which is the most commonly used rotation method. The variance explained by each component after the rotation method is shown in Table 6. It is visible from this table that the variance is now evenly distributed in a range of 23.496% – 12.728%, which was 34.035% - 10.458% before rotation.

Table 6: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.403	34.035	34.035	3.403	34.035	34.035	2.350	23.496	23.496
2	1.710	17.096	51.130	1.710	17.096	51.130	2.053	20.527	44.022
3	1.224	12.238	63.368	1.224	12.238	63.368	1.708	17.077	61.099
4	1.046	10.458	73.827	1.046	10.458	73.827	1.273	12.728	73.827
5	.881	8.813	82.640						
6	.733	7.333	89.973						
7	.445	4.452	94.424						
8	.277	2.767	97.191						
9	.178	1.783	98.974						
10	.103	1.026	100.000						

Extraction Method: Principal Component Analysis.

Rotated Factor Matrix: An analysis of factor loadings in the rotated factor matrix helps in interpreting and naming the four factors that have been extracted in the earlier section. Interpretation is done by identifying the statements that have very high loadings on the same component. These factors can then be interpreted in terms of the statements that load highly on it. Table 7 shows the Roatated Component Matrix.

Table 7: Rotated Component Matrix[a]

	Component			
	1	2	3	4
High introduction costs for new solutions	-.038	.722	.180	.124
Suppliers slow to link up with the procurement system	.056	.116	.012	.935
Lack of quality of master data	.592	-.031	.169	.509
Difficulty in judging usefulness and potential of new IT solutions	.316	.255	.802	-.102
Lack of user-friendliness and user-acceptance of solutions	.489	.541	.178	-.037
Solutions only address some of our procurement processes	.892	.232	-.044	-.064
Solutions do not address the complexity of our processes	.868	-.050	.092	.136
Solutions are not w ell enough integrated (isolated applications)	-.108	.138	.905	.176
Lack of qualified staff who can work with modern procurement system	.017	.817	.018	.097
Consultant expertise is lacking in IT projects for procurement	.306	.645	.377	-.223

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Under Varimax rotation, 3 out of 10 statements have factor loadings ⩾ 0.550 in case of Factor 1. This reveals that 30.00% of the statements are clubbed into Factor 1. In the similar way 4 out of 10 statements have factor loading ⩾ 0.550 in case of Factor 2. This reveals that 40.00% of the statements are clubbed into Factor 2. 2 out of 10 statements have factor loading ⩾ 0.550 in case of Factor 3.This reveals that 20.00% of the statements are clubbed into Factor 3. 1 out of 10 statements have factor loading ⩾ 0.550 in case of Factor 3. This reveals that 10.00% of the statements are clubbed into Factor 4. On the basis of Varimax rotation with Kaiser Normalization, four factors have emerged.

Naming of the Factors

Table 8 indicates the grouping of statements under each factor as per factor loadings.

Table 8: Rotated Component Matrix[a]

	Component			
	1	2	3	4
Solutions only address some of our procurement processes	.892			
Solutions do not address the complexity of our processes	.868			
Lack of quality of master data	.592			
Lack of qualified staff who can work with modern procurement system		.817		
High introduction costs for new solutions		.722		
Consultant expertise is lacking in IT projects for procurement		.645		
Lack of user-friendliness and user - acceptance of solutions		.541		
Solutions are not well enough integrated (isolated applications)			.905	
Difficulty in judging usefulness and potential of new IT solutions			.802	
Suppliers slow to link up with the procurement system				.935

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

Four factors are derived from factor analysis related to difficulties faced in e-procurement implementation. They are named as follows:

(1) Poor data management and partial solutions: The first factor consists of three variables of difficulty in implementing e-procurement. They are related to lack of availability as well as quality of master data. Also there is difficulty in implementing it due to large and complex data.

(2) Costly non-user friendly solutions and lack of expertise: The second factor consists of four variables of difficulty in implementing e-procurement. They are related to scarcity of quality feed employee who can work on e-procurement system. Also there are few consultants available for the same. Even the e-procurement system is not very user-friendly so as to make people accept it easily.

(3) Non-useful Non-integrated solutions: The third factor consists of two variables of difficulty in implementing e-procurement. They specify that the e-procurement solutions are not well enough integrated. Hence not all functions and areas of e-procurement are found in the system. Also the employees are not able to judge the benefit of implementing the solution due to their traditional thought process.

(4) Lack of supplier readiness: The forth factor consist of only one variable related to supplier readiness to accept the e-procurement process. The suppliers still wants to work with the traditional mindset. Also many are not financially sound to implement the e-procurement process.

Findings and Conclusion

1. Difficulties faced in e-procurement implementation across industry

The p-value of "Solutions only address some of our procurement processes" is 0.017 and "Solutions do not address the complexity of our processes" is 0.047. These p- values are less than 0.05, hence for these statements the null hypothesis is not accepted. So there is a significant difference in difficulties faced in e-procurement implementation across industry for these statements. From the mean rank, we can say that Pharmaceutical Industry is facing more difficulties in 'Solutions only address some of our procurement processes' and 'Solutions do not address the complexity of our processes'.

2. Difficulties faced in e-procurement implementation across Size of the organisation based on Investment.

The p-value of "High introduction costs for new solutions" is 0.009. The p- value is less than 0.05, hence for this statement, the null hypothesis is not accepted. So there is a significant difference in difficulties faced in e-procurement implementation across industry based on Investment. From the mean rank, we can say that company which have investment of more than 10 crore rupees is facing more difficulties because of 'High introduction costs for new solutions'.

3. Difficulties faced in e-procurement implementation across Size of the organisation based on Employees size and Ownership of the company.

The p-values of all other statements pertaining to difficulties faced in e-procurement implementation are more than 0.05. Therefore, for these statements the null hypotheses are accepted. So there is no significant difference in difficulties faced in e-procurement implementation across size of the organisation based on employees size and ownership of the company.

4. Four factors have been derived from factor analysis related to difficulties faced in e-procurement implementation. They are named as (1) Poor data management and partial solutions (2) Costly non-user friendly solutions and lack of expertise (3) Non-useful Non-integrated solutions and (4) Lack of supplier readiness.

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Management Students' Perspective Towards Leadership

Dr. Ashok Shripadrao Kurtkoti : Professor and Head Research Institute, MITSOB, Pune. Email: ashokkurtkoti@gmail.com

Abstract

Management students are at the cross roads. The students have started losing interest and the demand is shrinking. An MBA degree had earlier held promise of good career and jobs but the cost of MBA education has risen sharply with relatively less appreciable value. Over the last few years, the management schools are facing very challenging task, and barring a few premium schools, there is a great difficulty in filling up the seats. Industries are not able to offer good jobs as majority management students are not employable, as many national and international research reflects. In order to understand MBA and PGDM students' perspective, a survey was carried out in Pune city and telephonic/personal interviews of alumni were carried out. Two hypotheses were formulated and tested. The results of the survey reveal that there is a need for revision of the syllabus and effective leadership course.

Key words : MBA, PGDM, Management Education, Students, Leadership

Introduction

Management education is facing many challenges in this competitive environment. The demand for management education has drastically reduced, as revealed by the latest statistics. Many colleges have opened up in the recent past, however, most of the MBA/PGDM colleges are unable to fill the required number of seats. An MBA degree had earlier held promise of good career and jobs but the cost of MBA education has risen sharply with relatively low appreciable value. Industries are not able to offer good jobs as majority management students lack the skill sets and are not employable, as well as for very many other reasons. In order to understand MBA and PGDM students' perspective, a survey was carried out in Pune city and telephonic/personal interviews of alumni were carried out. Two hypotheses were formulated and the results are outlined in this paper.

Literature Review

Nerurkar (2015) said that there is a challenge in teaching leadership in the class room because leadership occurs in real life situation. Simulations can help but cannot build characters like the real pressure does. There is tremendous demand for leadership among Indian business and that is great opportunity for business schools. However they need to go beyond the vanilla leadership courses and show real value to both students and the employers. Leadership is about shaping sensibilities and not merely imparting a skill that can be standardized and replicated. Leadership is about having a greater vision and inspiring people to perform at a level that they think beyond their job description. Lack of good grounding in leadership traits prove a handicap for managers as they rise up in the corporate hierarchy. Most of them find it difficult to make big decisions and inspire their organizations to break the mould and undertake unprecedented challenges.

Kessler (2015) opined that there is no value in asking yourself "am I a leader? Instead ask "whom am I leading? And where am I going?

Sachdev (2015) said that future leaders must have ability to carry along their fellow citizens and the empathy to understand each stakeholder's unique perspective There are several case studies being deployed as part of courses such as governance, corporate policies, ethics in the work place and these make for excellent discussions.

Bhat (2015) said that in order to bring more scientific evidence into decisions, managers need to know how to look for studies in online database. Evidence based management and teaching will enable managers to think scientifically in order to counter balance their own judgment. Based on conventional wisdom Google's leadership had believed that depth of technical expertise was the most important attribute to be sought in manager whose main role was to help subordinates with technical help when needed1

Prasha (2015), Engrade (www.engrade.com) is a set of open source web based tools for sharing real – time content such as wikis, quizzes, videos and grades with students outside the class.

Gupta (2015) deduced that about 300,000 MBA graduates are produced every year. The focus should now shift to making them employable and job ready rather than increasing the number of institutes. The time has come in India to rethink management education. The institutes will do a service to themselves, to the students and to the country.

Sudharani .D. Ravindran and Kalpana M, (2012) found that there was a significant difference between the perception of students across four categories of institutions in all six dimensions of institution quality factors.

Research Methodology

Objectives

1. To study management students' perspective on leadership and other aspects presently taught in MBA or PGDM course
2. To study management student's perspective on skill development.
3. To find out whether revision is required in MBA or PGDM courses.

Research Design : Descriptive type.

Scope of the study : Respondents in Pune city

Duration of the study : July to October, 2015.

Sample Design : A purposive sampling design

Sample Size : 170 (81 fresh students and 89 alumni)

Research Instrument: Questionnaire and telephonic / personal interviews

Method of Data Collection : Both primary and secondary data were collected. Analysis on the primary data collected through structured questionnaire from the students presently studying in MBA and PGDM courses and telephonic/ personal interviews of alumnae were carried out.

Respondent's Profile

- 41 PGDM and 40 MBA
- 47 male and 34 female.
- 89 alumnae of 5 management institutes in Pune city.
- Hypotheses: Two hypotheses were formulated and hypothesis testing was carried by one tail Z test at 95% confidence level. SPSS 22 was used to test the hypothesis.

Questions for study in the form of following statements

1. Do you think present method of teaching at MBA/ PGDM needs to be changed?
2. MBA / PGDM course material should focus on leadership
3. MBA / PGDM course should focus on business analytics
4. MBA / PGDM syllabus should develop global mindset to students
5. MBA / PGDM teaching should have simulation and role play, socio-drama, etc
6. MBA / PGDM revised syllabus should cover recent cases relevant to Indian context
7. MBA/ PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills
8. MBA/ PGDM courses should be tailor made to suit specific type of industry

Q1. Do you think present method of teaching at MBA / PGDM needs to be changed?

Yes 42 No 23 Can't Say 16

Findings: Majority of respondents think that method of teaching at MBA/PGDM needs to be changed.

Q. 2 MBA / PGDM course material should focus on leadership is given in Table 1

Table 1: MBA/ PGDM course material should focus on leadership

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA /PGDM course material should focus on leadership	42	23	15	1	0

(Source: Primary)

Findings:

- 42(52%) of respondents strongly agree that MBA /PGDM course material should focus on leadership
- 23 (28%)students agree that MBA /PGDM course material should focus on leadership
- 15(18%)students neither agree nor disagree that MBA / PGDM course material should focus on leadership
- 1(2%) students disagree that MBA /PGDM course material should focus on leadership

Q.3 MBA /PGDM course should focus on business analytics in given in Table 2

Table 2: MBA /PGDM course should focus on business analytics

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA /PGDM course should focus on business analytics	41	33	5	2	0

(Source: Primary)

Findings:

- 41(50%) of respondents strongly agree that MBA /PGDM course should focus on business analytics
- 33 (41%) students agree that MBA /PGDM course should focus on business analytics
- 5(7 %) students neither agree nor disagree to the above statement
- 2(2%) students disagree to the above statement

Q.4. MBA /PGDM syllabus should develop global mindset to students is given table 3

Table 3: MBA /PGDM Syllabus should develop global mindset to students

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA / PGDM syllabus should develop global mindset to students	40	28	11	2	0

(Source: Primary)

Findings:

- 40(49%)of respondents strongly agree that revised syllabus should inculcate global mindset to students
- 28(35%) students agree that revised syllabus should inculcate global mindset to students
- 11(14%) students neither agree nor disagree that revised syllabus should inculcate global mindset to students
- 2(%) students disagree that revised syllabus should inculcate global mindset to students

Q.5. MBA /PGDM teaching should have simulation and role play, socio-drama, etc. is given in Table 4.

Table 4: MBA /PGDM teaching should have simulation and role play, socio-drama, etc

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA /PGDM teaching should have simulation and role play, socio-drama, etc.	41	33	5	2	0

(Source: Primary)

Findings:

- 44(54%) of respondents strongly agree that teaching should have simulation and role play, socio-drama, etc.
- 19 (23%) students agree that teaching should have simulation and role play, socio-drama, etc.
- 16(21%) students neither agree nor disagree that teaching should have simulation and role play, socio-drama, etc.
- 2(2%) students disagree that teaching should have simulation and role play, socio-drama, etc.

Q.6.MBA/ PGDM revised syllabus should cover recent cases relevant to Indian context is given in Table 5.

Table 5: MBA /PGDM syllabus should also cover recent cases relevant to Indian context

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA /PGDM revised syllabus should cover recent cases relevant to Indian context	48	18	13	1	1

(Source: Primary)

Findings:

- 48 (60%) of respondents strongly agree that revised syllabus should also cover recent cases relevant to Indian context
- 18 (22%) students agree that revised syllabus should also cover recent cases relevant to Indian context
- 13 (16%) students neither agree nor disagree that revised syllabus should also cover recent cases relevant to Indian context
- 1 (1%) students disagree that revised syllabus should also cover recent cases relevant to Indian context
- 1 (1%) students strongly disagree that revised syllabus should also cover recent cases relevant to Indian context

Q.7. MBA /PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills is given in Table 6.

Table 6: MBA /PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA /PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills	39	30	11	1	0

(Source: Primary)

Findings:

- 39(48.5%) students strongly agree that PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills
- 30 (37.55%) students agree that PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills
- 11 (14%) students neither agree nor disagree that PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills
- 1 (1%) student disagree that PGDM syllabus should emphasize on entrepreneurial skill development apart from employment skills

Q.8 MBA/PGDM courses should be tailor made to suit specific type of industry in Table 7.

Table 7: MBA/PGDM courses should be tailor made to suit specific type of industry

Question	Strongly Agree	Agree	Neither Agree or Disagree	Disagree	Strongly Disagree
MBA/PGDM courses should be tailor made to suit specific type of industry	30	30	7	1	0

(Source: Primary)

Findings:

- 30 (37%) of respondents strongly agree that MBA/PGDM courses should be tailor made to suit specific type of industry
- 30 (37%) students agree that revised course that MBA/PGDM courses should be trailer made to suit specific type of industry
- 7 (16%) students neither agree nor disagree that MBA/PGDM courses should be trailer made to suit specific type of industry
- 1(1%) student disagrees to the above statement.

Hypotheses Testing:

The following two hypotheses were framed and testing was carried out:

Hypothesis 1

Null Hypothesis **Ho**: Course material should not have leadership content

Alternate Hypothesis **H'**: Course material should have leadership content

Hypothesis 2

Null Hypothesis **Ho**: Revision of the syllabus is not required

Alternate Hypothesis $\mathbf{H_1}$: Revision of the syllabus is required

Testing of Hypothesis 1

Testing of both hypotheses was carried out by one tail Z test at 95% confidence level.

Table 8 shows the details of testing of Hypothesis 1.

Table 8: Details of testing of Hypothesis 1

Criteria	Hypothesis Testing Parameters			
	Mean	SD	C.V.	Z Value
Course material should not contains leadership	4.24	0.79	0.63	14.04

(Source: Primary)

It can be observed that:

Z value for this criterion is more than the table value. Hence we can reject null hypothesis, accept alternate hypothesis and conclude that Course material should include leadership content.

Testing of Hypothesis 2

Table 9 shows the details of testing of Hypothesis 2

Table 9: Details of testing of Hypothesis 2

Criteria	Hypothesis Testing Parameters			
	Mean	SD	C.V.	Z Value
Revision of the syllabus is not required	3.96	1.03	1.06	8.41

(Source: Primary)

It can be observed that:

Z value for this criterion is more than the table value. Hence we can reject null hypothesis, accept alternate hypothesis and conclude that revision of the syllabus is required

Personal/ Telephonic interviews results:

The researcher contacted 89 alumni to know about applicability of theory learnt in the class room and also their opinion on the research topic.

The following are their comments:

1. The class learning is a very good platform. However when on the job, there are many challenges as far as business environment is concerned. In the job, individual person have to take on the spot decisions and mentor was missing on the job.
2. Corporate life comes with challenges every day, work attitude needs to be cultivated, theoretical knowledge gained cannot be applied to practical situations every time
3. Students have learnt cases and with the class participation they were able to face the corporate world. However they feel that if recent cases with Indian context were taught, it would give them an edge to face challenging atmosphere.
4. Ethics plays a very important role in our business activities.
5. Constant pressure of competition has created business like situation in the classroom and thus develop thought-leaders.
6. There is a constant pressure of submitting assignments in time during regular studies. This has helped students to work under pressure and complete job within deadlines.
7. Working in small groups and team-building is crucial for management jobs and effective leader must be able to build team and set example for other employees.
8. Student should also need to learn to resolve conflict and build consensus decisions.
9. During job we have to take high risk decisions which may affect other people and their response can affect the outcome. MBA curriculum should be oriented towards this.
10. Leadership requires great vision and inspiring people to achieve what was not possible.
11. We have learnt cases in diverse subjects like BPSM, corporate governance, ethics etc. When we face a similar situation in our day to day working it becomes easy for us to understand and take necessary action.
12. Research taught in the course is very useful for us to carry out field research.
13. Business analytics which is taught to us becomes very handy tool to carry out our work and give proper data to higher management.

Limitations of the study

1. Due to time constraint less number of students was contacted.
2. The other courses of management were not considered for this study

Scope for further study

A detailed study can be carried out on all India bases to ensure that we produce global leaders.

Conclusion

The present method of teaching needs to be according to industry's expectation and syllabus needs revision. The case-based syllabus is more suited than teaching theory only.

Recommendations

1. To develop global mind set of business, MBA schools need to organize internship or visits abroad. Also these schools can have students and faculty exchange programs by tying with business schools in other countries
2. Management institutes should realize the need for experimental, active and problem oriented learning. Different technologies such as video, games, simulations are to be used for such method of learning.
3. Management institutes should teach on how to resolve conflict and build consensus decisions.

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